# ARIZONA HOUSE OF REPRESENTATIVES Fifty-sixth Legislature - First Regular Session

# **CAUCUS AGENDA**

February 21, 2023

Bill Number Short Title Committee Date Action

**Committee on Appropriations** 

Chairman: David Livingston, LD 28 Vice Chairman: Joseph Chaplik, LD 3

Analyst: Austin Fairbanks Intern: Leslie Vides

HB 2087<sub>(BSD)</sub> appropriation; dementia awareness

SPONSOR: DUNN, LD 25 HOUSE

APPROP 1/25/2023 DP (14-1-0-0)

(No: CHAPLIK)

HB 2432<sub>(BSI)</sub> technical correction; payment method

SPONSOR: LIVINGSTON, LD 28 HOUSE

APPROP 2/15/2023 DPA/SE (15-0-0-0)

HB 2433<sub>(BSD)</sub> technical correction; occupational safety; exemption

SPONSOR: LIVINGSTON, LD 28 HOUSE

APPROP 2/15/2023 DPA/SE (15-0-0-0)

**Committee on Commerce** 

Chairman: Justin Wilmeth, LD 2 Vice Chairman: Michael Carbone, LD 25

Analyst: Paul Benny Intern: Haley Garcia

HB 2049<sub>(BSI)</sub> bank deposits; technical correction

SPONSOR: DUNN, LD 25 HOUSE

COM 2/14/2023 DPA/SE (10-0-0-0)

HB 2108<sub>(BSD)</sub> unemployment benefits; requirements; disqualifications

SPONSOR: LIVINGSTON, LD 28 HOUSE

COM 2/14/2023 DPA (6-3-1-0)

(No: AGUILAR, ORTIZ, AUSTIN Present: SUN)

HB 2208<sub>(BSD)</sub> department of liquor licenses; continuation

SPONSOR: WILMETH, LD 2 HOUSE

COM 2/14/2023 DP (9-1-0-0)

(No: HENDRIX)

HB 2223<sub>(BSI)</sub> liquor; licensing; processes; procedures

SPONSOR: GRESS, LD 4 HOUSE

COM 2/14/2023 DPA (9-0-0-1)

(Abs: HEAP)

HB 2251<sub>(BSI)</sub> condominiums; insurance coverage; claims

SPONSOR: WILMETH, LD 2 HOUSE

COM 2/14/2023 DPA (8-1-1-0)

(No: AGUILAR Present: AUSTIN)

HB 2293<sub>(BSI)</sub> liquor; purchase; identification

SPONSOR: COOK, LD 7 HOUSE

COM 2/14/2023 DP (10-0-0-0)

HB 2402<sub>(BSI)</sub> small business incubator program

SPONSOR: GRESS, LD 4 HOUSE

COM 2/14/2023 DP (6-4-0-0)

(No: AGUILAR, ORTIZ, SUN, AUSTIN)

HB 2446<sub>(BSI)</sub> smart and safe fund; distribution

SPONSOR: MARTINEZ, LD 16 HOUSE

COM 2/14/2023 DPA (10-0-0-0)

**Committee on Education** 

**Chairman:** Beverly Pingerelli, LD 28 **Vice Chairman:** David Marshall, Sr., LD 7

Analyst: Chase Houser Intern: Sisto Jacobo

HB 2060<sub>(BSI)</sub> charter schools; financial requirements; revisions

SPONSOR: GRANTHAM, LD 14 HOUSE

ED 2/14/2023 DPA/SE (10-0-0-0)

**Committee on Government** 

**Chairman:** Timothy M. Dunn, LD 25 **Vice Chairman:** John Gillette, LD 30 **Analyst:** Frank Komadina **Intern:** Joshua Bennion

HB 2001<sub>(BSI)</sub> department of health services; rulemaking

SPONSOR: COOK, LD 7 HOUSE

GOV 1/18/2023 DPA (9-0-0-0) HHS 1/30/2023 DPA (8-1-0-0)

(No: PARKER B)

HB 2075<sub>(BSI)</sub> school blueprints; public records; exemption

SPONSOR: TERECH, LD 4 HOUSE

GOV 2/15/2023 DP (9-0-0-0)

HB 2144<sub>(BSI)</sub> open meetings; capacity; posting; violation

SPONSOR: DUNN, LD 25 HOUSE

GOV 1/25/2023 DPA (6-3-0-0)

(No: BRAVO, LONGDON, PESHLAKAI)

HB 2156<sub>(BSI)</sub> proxy voting; governmental entities; prohibition

SPONSOR: LIVINGSTON, LD 28 HOUSE

GOV 2/15/2023 DPA/SE (9-0-0-0)

HB 2213<sub>(BSI)</sub> TPT; exemption; utilities; residential customers

SPONSOR: GRIFFIN, LD 19 HOUSE

GOV 2/15/2023 DPA/SE (9-0-0-0)

HB 2254<sub>(BSI)</sub> rulemaking; regulatory costs; legislative ratification

SPONSOR: WILMETH, LD 2 HOUSE

GOV 2/15/2023 DPA (5-4-0-0) (No: BRAVO, HERNANDEZ L, LONGDON, PESHLAKAI)

HB 2416<sub>(BSD)</sub> technical correction; sports facilities account

SPONSOR: GRESS, LD 4 HOUSE

GOV 2/15/2023 DPA/SE (8-0-0-1)

(Abs: JONES)

**Committee on Health & Human Services** 

Chairman: Steve Montenegro, LD 29 Vice Chairman: Barbara Parker, LD 10

Analyst: Ahjahna Graham Intern: Kira McNeill

HB 2035<sub>(BSI)</sub> dental board; formal hearings

SPONSOR: BLISS, LD 1 HOUSE

HHS 2/13/2023 DP (9-0-0-0)

HB 2166<sub>(BSI)</sub> DHS; licensure; group homes

SPONSOR: DUNN, LD 25 HOUSE

HHS 2/13/2023 DP (9-0-0-0) RA 2/15/2023 DP (7-0-0-0)

HB 2194<sub>(BSI)</sub> drug overdose fatality review teams

SPONSOR: NGUYEN, LD 1 HOUSE

HHS 1/30/2023 DP (9-0-0-0)

HB 2290<sub>(BSD)</sub> insurance; claims; appeals; provider credentialing

SPONSOR: COOK, LD 7 HOUSE

HHS 2/13/2023 DP (9-0-0-0)

HB 2312<sub>(BSD)</sub> women's shelters; male employees; liability

SPONSOR: JONES, LD 17 HOUSE

HHS 1/23/2023 DP (5-4-0-0)

(No: CONTRERAS P, HERNANDEZ A, MATHIS, SHAH)

HB 2313<sub>(BSI)</sub> child placement; relative search; notice.

SPONSOR: JONES, LD 17 HOUSE

HHS 2/13/2023 DPA (9-0-0-0)

HB 2346<sub>(BSI)</sub> outpatient treatment centers; exemption

SPONSOR: SHAH, LD 5 HOUSE

HHS 2/6/2023 DP (9-0-0-0)

HB 2451<sub>(BSD)</sub> prescription digital therapeutics; pilot program

SPONSOR: MARTINEZ, LD 16 HOUSE

HHS 2/6/2023 DP (8-1-0-0)

(No: CONTRERAS P)

HB 2455<sub>(BSI)</sub> developmental disabilities; Prader-Willi syndrome

SPONSOR: PINGERELLI, LD 28 HOUSE

HHS 1/23/2023 DP (9-0-0-0)

HB 2469<sub>(BSI)</sub> fentanyl; border; public health crisis

SPONSOR: MONTENEGRO, LD 29 HOUSE

HHS 2/13/2023 DPA/SE (6-3-0-0)

(No: HERNANDEZ A, MATHIS, SHAH)

HB 2470<sub>(BSD)</sub> AHCCCS; rapid genome sequencing

SPONSOR: MONTENEGRO, LD 29 HOUSE

HHS 2/6/2023 DP (9-0-0-0)

**Committee on Judiciary** 

**Chairman:** Quang H. Nguyen, LD 1 **Vice Chairman:** Selina Bliss, LD 1 **Analyst:** Justin Larson **Intern:** Grace Crounse

HB 2226<sub>(BSD)</sub> appropriation; fentanyl prosecution; testing; fund

SPONSOR: GRESS, LD 4 HOUSE

JUD 2/1/2023 DPA (5-3-0-0)

(No: CONTRERAS L, HERNANDEZ M, ORTIZ)

APPROP 2/8/2023 DP (9-1-4-1)

(No: SALMAN Abs: SHAH Present: QUIÑONEZ, SCHWIEBERT, STAHL

HAMILTON, AUSTIN)

HB 2302<sub>(BSI)</sub> misdemeanor expungement; requirements; procedure

SPONSOR: CARTER, LD 15 HOUSE

JUD 2/15/2023 DPA (8-0-0-0)

HB 2333<sub>(BSI)</sub> appropriation; coordinated reentry planning

SPONSOR: BLISS, LD 1 HOUSE

JUD 2/1/2023 DP (8-0-0-0) APPROP 2/8/2023 DPA (13-0-2-0)

(Present: DIAZ, PARKER B)

HB 2757<sub>(BSD)</sub> court of appeals; retention election

SPONSOR: TOMA, LD 27 HOUSE

JUD 2/15/2023 DP (5-3-0-0)

(No: CONTRERAS L, HERNANDEZ M, ORTIZ)

Committee on Land, Agriculture & Rural Affairs

Chairman: Lupe Diaz, LD 19
Vice Chairman: Michele Peña, LD 23
Analyst: Paul Bergelin
Intern: Abigail Hobson

HB 2145<sub>(BSD)</sub> dude ranches; historical markers

SPONSOR: DUNN, LD 25 HOUSE

LARA 2/13/2023 DP (9-0-0-0)

HB 2376<sub>(BSD)</sub> agricultural land; foreign ownership; prohibition

SPONSOR: BIASIUCCI, LD 30 HOUSE

LARA 2/16/2023 DPA (7-2-0-0)

(No: HERNANDEZ C, SANDOVAL)

HB 2441<sub>(BSI)</sub> state tree; residential planning

SPONSOR: GRIFFIN, LD 19 HOUSE

LARA 2/13/2023 DPA (9-0-0-0)

Committee on Military Affairs & Public Safety

Chairman: Kevin Payne, LD 27 Vice Chairman: Rachel Jones, LD 17

Analyst: Nathan McRae Intern: Calandra Valencia

HB 2041<sub>(BSD)</sub> mental health; voluntary evaluations; payment

SPONSOR: BLISS, LD 1 HOUSE

MAPS 2/13/2023 DPA (14-0-0-1)

(Abs: TRAVERS)

HB 2309<sub>(BSI)</sub> sovereign authority; law enforcement

SPONSOR: JONES, LD 17 HOUSE

MAPS 2/13/2023 DPA/SE (8-6-0-1)

(No: BLATTMAN, LONGDON, PESHLAKAI, QUINONEZ, SUN, TSOSIE

Abs: TRAVERS)

HB 2336<sub>(BSI)</sub> tuition; family; posttraumatic stress; suicide

SPONSOR: SHAH, LD 5 HOUSE

MAPS 2/6/2023 DP (15-0-0-0)

HB 2339<sub>(BSD)</sub> prisoners; medical records; family access

SPONSOR: SHAH, LD 5 HOUSE

MAPS 2/13/2023 DP (14-0-0-1)

(Abs: BLATTMAN)

HB 2418<sub>(BSI)</sub> law enforcement; response times; requirements

SPONSOR: GRESS, LD 4 HOUSE

MAPS 2/13/2023 DPA/SE (12-1-1-1)

(No: SUN Abs: LONGDON Present: TRAVERS)

HCR 2025<sub>(BSI)</sub> death benefit; assault; first responders

SPONSOR: PAYNE, LD 27 HOUSE

MAPS 2/6/2023 DPA (14-1-0-0)

(No: SUN)

**Committee on Municipal Oversight & Elections** 

Chairman: Jacqueline Parker, LD 15 Vice Chairman: Alexander Kolodin, LD 3

Analyst: Joel Hobbins Intern: Isabella Garbero

HB 2078<sub>(BSI)</sub> counties; elections; state audits SPONSOR: DIAZ, LD 19 HOUSE

MOE 2/8/2023 DP (6-4-0-0) (No: AGUILAR, DE LOS SANTOS, HERNANDEZ M, TERECH)

HB 2099<sub>(BSI)</sub> technical correction; statement of contest

SPONSOR: HARRIS, LD 13 HOUSE

MOE 2/16/2023 DPA/SE (6-4-0-0) (No: AGUILAR, DE LOS SANTOS, HERNANDEZ M, TERECH)

HB 2100<sub>(BSD)</sub> elections; mail ballot; technical correction

SPONSOR: HARRIS, LD 13 HOUSE

MOE 2/16/2023 DPA/SE (5-3-0-2)

(No: AGUILAR, HERNANDEZ M, TERECH Abs: DE LOS SANTOS,

KOLODIN)

HB 2101<sub>(BSI)</sub> technical correction; presidential candidates; ballot

SPONSOR: HARRIS, LD 13 HOUSE

MOE 2/16/2023 DPA/SE (5-4-0-1)

(No: AGUILAR, DE LOS SANTOS, HERNANDEZ M, TERECH Abs:

KOLODIN)

HB 2102<sub>(BSI)</sub> election of judges; technical correction

SPONSOR: HARRIS, LD 13 HOUSE

MOE 2/16/2023 DPA/SE (5-4-0-1)

(No: AGUILAR, DE LOS SANTOS, HERNANDEZ M, TERECH Abs:

JONES)

HB 2103<sub>(BSD)</sub> special districts; elections; technical correction

SPONSOR: HARRIS, LD 13 HOUSE

MOE 2/16/2023 DPA/SE (5-4-0-1)

(No: AGUILAR, DE LOS SANTOS, HERNANDEZ M, TERECH Abs:

JONES)

HB 2104<sub>(BSI)</sub> contest; state elections; technical correction

SPONSOR: HARRIS, LD 13 HOUSE

MOE 2/16/2023 DPA/SE (5-4-0-1)

(No: AGUILAR, DE LOS SANTOS, HERNANDEZ M, TERECH Abs:

JONES)

HB 2231<sub>(BSI)</sub> early absentee voting; limitations; conflicts

SPONSOR: HARRIS, LD 13 HOUSE

MOE 2/8/2023 DP (6-4-0-0) (No: AGUILAR, DE LOS SANTOS, HERNANDEZ M, TERECH)

HB 2232<sub>(BSI)</sub> elections; identification; revisions; mail-in; tabulation.

SPONSOR: HARRIS, LD 13 HOUSE

MOE 2/16/2023 DPA/SE (5-4-0-1)

(No: AGUILAR, DE LOS SANTOS, HERNANDEZ M, TERECH Abs:

JONES)

HB 2233<sub>(BSI)</sub> election contests; procedures

SPONSOR: HARRIS, LD 13 HOUSE

MOE 2/1/2023 DP (6-4-0-0) (No: AGUILAR, DE LOS SANTOS, HERNANDEZ M, TERECH)

HB 2307<sub>(BSI)</sub> elections; hand counting; machines; prohibition

SPONSOR: MCGARR, LD 17 HOUSE

MOE 2/1/2023 DP (6-4-0-0) (No: AGUILAR, DE LOS SANTOS, HERNANDEZ M, TERECH)

HB 2319<sub>(BSI)</sub> elections; rule of construction

SPONSOR: KOLODIN, LD 3 HOUSE

MOE 1/25/2023 DP (6-4-0-0) (No: AGUILAR, DE LOS SANTOS, HERNANDEZ M, TERECH)

HB 2322<sub>(BSI)</sub> early ballots; signatures; guidelines; challenges

SPONSOR: KOLODIN, LD 3 HOUSE

MOE 1/25/2023 DP (6-4-0-0) (No: AGUILAR, DE LOS SANTOS, HERNANDEZ M, TERECH)

HB 2325<sub>(BSI)</sub> mail ballot elections; technical correction

SPONSOR: KOLODIN, LD 3 HOUSE

MOE 2/16/2023 DPA/SE (8-2-0-0)

(No: AGUILAR, DE LOS SANTOS)

<u>HB 2560<sub>(BSI)</sub></u> images; voter lists; records; contest.

SPONSOR: TOMA, LD 27 HOUSE

MOE 2/8/2023 DPA (6-4-0-0) (No: AGUILAR, DE LOS SANTOS, HERNANDEZ M, TERECH)

Committee on Natural Resources, Energy & Water

Chairman:Gail Griffin, LD 19Vice Chairman:Austin Smith, LD 29Analyst:Paul BergelinIntern:Abigail Hobson

HB 2022<sub>(BSI)</sub> water resources; annual report

SPONSOR: DUNN, LD 25 HOUSE

NREW 2/14/2023 DP (10-0-0-0)

HB 2026<sub>(BSD)</sub> appropriation; on-farm efficiency fund

SPONSOR: DUNN, LD 25 HOUSE

NREW 1/24/2023 DP (9-0-0-1)

(Abs: PARKER B)

APPROP 2/8/2023 DP (15-0-0-0)

HB 2056<sub>(BSI)</sub> dry washes; permit program exemption

SPONSOR: DIAZ, LD 19 HOUSE

NREW 1/24/2023 DP (5-4-0-1)

(No: DE LOS SANTOS, MATHIS, STAHL HAMILTON, TRAVERS Abs:

PARKER B)

HB 2215<sub>(BSI)</sub> hazardous waste manifest resubmittals; fees

SPONSOR: GRIFFIN, LD 19 HOUSE

NREW 2/14/2023 DP (10-0-0-0)

HB 2217<sub>(BSI)</sub> water protection; technical correction

SPONSOR: GRIFFIN, LD 19 HOUSE

NREW 1/31/2023 DPA/SE (10-0-0-0)

HB 2218<sub>(BSI)</sub> technical correction; power authority; monies

SPONSOR: GRIFFIN, LD 19 HOUSE

NREW 2/14/2023 DPA/SE (10-0-0-0)

HB 2374<sub>(BSD)</sub> state lake improvement fund; appropriation

SPONSOR: BIASIUCCI, LD 30 HOUSE

NREW 2/14/2023 DP (7-0-2-1)

(Abs: TRAVERS Present: KOLODIN, PARKER B)

APPROP 2/15/2023 DP (14-0-1-0)

(Present: PARKER B)

HB 2440<sub>(BSI)</sub> electric energy; power companies; priorities

SPONSOR: GRIFFIN, LD 19 HOUSE

NREW 2/14/2023 DP (6-4-0-0)

(No: DE LOS SANTOS, MATHIS, STAHL HAMILTON, TRAVERS)

HB 2445<sub>(BSI)</sub> groundwater permits; technical correction

SPONSOR: GRIFFIN, LD 19 HOUSE

NREW 2/14/2023 DPA/SE (6-3-0-1)

(No: DE LOS SANTOS, MATHIS, STAHL HAMILTON Abs: TRAVERS)

HB 2448<sub>(BSD)</sub> appropriation; groundwater; Santa Rosa canal

SPONSOR: MARTINEZ, LD 16 HOUSE

NREW 2/7/2023 DP (10-0-0-0) APPROP 2/15/2023 DP (15-0-0-0)

HCR 2012<sub>(BSI)</sub> support; water management policies

SPONSOR: GRIFFIN, LD 19 HOUSE

NREW 2/14/2023 DPA/SE (10-0-0-0)

**Committee on Regulatory Affairs** 

Chairman: Laurin Hendrix, LD 14 Vice Chairman: Cory McGarr, LD 17

Analyst: Diana Clay Intern:

HB 2094<sub>(BSD)</sub> technical correction; tax debt; enforcement

SPONSOR: PAYNE, LD 27 HOUSE

RA 2/15/2023 DPA/SE (5-2-0-0)

(No: BRAVO, GUTIERREZ)

HB 2172<sub>(BSI)</sub> massage therapy; communication proficiency; repeal

SPONSOR: LONGDON, LD 5 HOUSE

RA 2/8/2023 DP (7-0-0-0)

HB 2230<sub>(BSI)</sub> appraiser; claims; time limitation

SPONSOR: HARRIS, LD 13 HOUSE

RA 2/8/2023 DP (6-0-0-1)

(Abs: HERNANDEZ A)

**Committee on Rules** 

Chairman: Travis Grantham, LD 14 Vice Chairman: Gail Griffin, LD 19
Analyst: Devyn Nelson

HB 2689<sub>(BSD)</sub> reviser's technical corrections; 2023

SPONSOR: GRANTHAM, LD 14 HOUSE

SB 1103<sub>(BSD)</sub> administrative review; approvals; developments

SPONSOR: PETERSEN, LD 14

**Committee on Transportation & Infrastructure** 

Chairman: David L. Cook, LD 7 Vice Chairman: Teresa Martinez, LD 16

Analyst: Jeremy Bassham Intern: Brianna Masel

HB 2062<sub>(BSI)</sub> Gila River Indian Community plates.

SPONSOR: MARTINEZ, LD 16 HOUSE

TI 2/1/2023 DPA (9-2-0-0)

(No: CARTER, MONTENEGRO)

HB 2063<sub>(BSI)</sub> appropriation; State Routes; 238; 347

SPONSOR: MARTINEZ, LD 16 HOUSE

TI 1/25/2023 DP (11-0-0-0)

APPROP 2/15/2023 DP (13-0-0-2)

(Abs: NGUYEN, SCHWIEBERT)

HB 2098<sub>(BSI)</sub> appropriation; Clarkdale bridge

SPONSOR: BLISS, LD 1 HOUSE

TI 2/1/2023 DP (11-0-0-0) APPROP 2/15/2023 DPA (12-2-0-1)

(No: CHAPLIK, PARKER B Abs: DUNN)

HB 2107<sub>(BSI)</sub> appropriation; SR 303; Route 60

SPONSOR: LIVINGSTON, LD 28 HOUSE

TI 1/25/2023 DP (11-0-0-0) APPROP 2/15/2023 DP (14-0-0-1)

(Abs: GRESS)

HB 2188<sub>(BSI)</sub> beekeepers special plates; deadline extension

SPONSOR: LONGDON, LD 5 HOUSE

TI 1/25/2023 DP (10-1-0-0)

(No: MONTENEGRO)

HB 2285<sub>(BSI)</sub> appropriation; Jackrabbit Trail improvement

SPONSOR: LIVINGSTON, LD 28 HOUSE

TI 2/8/2023 DPA/SE (9-2-0-0)

(No: HERNANDEZ C, SUN)

APPROP 2/15/2023 DPA/SE (12-1-2-0)

(No: SALMAN Present: STAHL HAMILTON, AUSTIN)

HB 2411<sub>(BSI)</sub> water supply; elimination; reduction; damages

SPONSOR: COOK, LD 7 HOUSE

TI 2/17/2023 DPA/SE (6-5-0-1)

(No: CONTRERAS P, HERNANDEZ C, QUIÑONEZ, SEAMAN, SUN Abs:

MONTENEGRO)

HB 2449<sub>(BSI)</sub> appropriation; Pinal East-West Corridor

SPONSOR: MARTINEZ, LD 16 HOUSE

TI 2/1/2023 DP (11-0-0-0) APPROP 2/15/2023 DP (15-0-0-0)

**Committee on Ways & Means** 

Chairman: Neal Carter, LD 15 Vice Chairman: Justin Heap, LD 10

Analyst: Vince Perez Intern: Ashton Allen

HB 2014<sub>(BSI)</sub> STOs; scholarships; corporate tax credits SPONSOR: LIVINGSTON, LD 28 HOUSE

WM 2/15/2023 DPA (6-4-0-0)

(No: BLATTMAN, CANO, PAWLIK, SANDOVAL)

HB 2020<sub>(BSI)</sub> ASRS; contribution prepayment; appropriation

SPONSOR: LIVINGSTON, LD 28 HOUSE

WM 1/25/2023 DP (6-4-0-0)

(No: BLATTMAN, CANO, PAWLIK, SANDOVAL)

APPROP 2/8/2023 DPA (12-0-3-0)

(Present: SALMAN, STAHL HAMILTON, AUSTIN)

HB 2027<sub>(BSI)</sub> appropriation; unfunded liability; CORP

SPONSOR: LIVINGSTON, LD 28 HOUSE

WM 2/1/2023 DP (7-1-2-0)

(No: CANO Present: BLATTMAN, PAWLIK)

APPROP 2/8/2023 DPA (9-3-3-0)

(No: QUIÑONEZ, SALMAN, STAHL HAMILTON Present: SCHWIEBERT,

SHAH, AUSTIN)

HB 2028<sub>(BSI)</sub> PSPRS; contribution rates

SPONSOR: LIVINGSTON, LD 28 HOUSE

WM 2/15/2023 DP (10-0-0-0)

HB 2242<sub>(BSI)</sub> unclaimed property; locator registration

SPONSOR: LIVINGSTON, LD 28 HOUSE

WM 2/15/2023 DPA/SE (6-3-1-0) (No: CANO, PAWLIK, SANDOVAL Present: BLATTMAN)

HB 2430<sub>(BSI)</sub> EORP; appropriations; repayment

SPONSOR: LIVINGSTON, LD 28 HOUSE

WM 2/1/2023 DP (9-0-1-0)

(Present: BLATTMAN)

APPROP 2/8/2023 DPA (12-1-2-0)

(No: SALMAN Present: SCHWIEBERT, AUSTIN)



Fifty-sixth Legislature First Regular Session

House: APPROP DP 14-1-0-0

HB 2087: appropriation; dementia awareness Sponsor: Representative Dunn, LD 25 Caucus & COW

## Overview

Appropriates \$500,000 from the state General Fund (GF) in FY 2024 for a nonprofit organization to create a public awareness campaign (Campaign) on Alzheimer's disease and dementia.

#### **History**

The purpose of the Department of Health Services (DHS) is to provide public health support, community health services and program planning. These programs may include epidemiology and disease control, health education and training, prevention and early detection of an intellectual disability and health information (A.R.S. § 36-104).

- 1. Appropriates \$500,000 from the GF for DHS to distribute to a nonprofit organization for a Campaign about Alzheimer's disease and dementia in rural and underserved urban areas. (Sec.1)
- 2. Outlines eligibility requirements for a nonprofit organization to receive funding. (Sec. 1)
- 3. Directs DHS to submit a report on the impact of the Campaign to the Governor, Legislature and Secretary of State by November 1, 2024. (Sec. 1)

☐ Prop 105 (45 votes) ☐ Prop 108 (40 votes) ☐ Eme	ergency (40 votes)	☑ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: APPROP DPA/SE 15-0-0-0

HB 2432: technical correction; payment method S/E: supplemental appropriation; AHCCCS; adjustments Sponsor: Representative Livingston, LD 28 Caucus & COW

## Summary of the Strike-Everything Amendment to HB 2432

#### Overview

Makes supplemental FY 2023 appropriations to the Arizona Health Care Cost Containment System (AHCCCS) from the Children's Health Insurance Program (CHIP) Fund and from expenditure authority.

#### **History**

The Arizona Health Care Cost Containment System (AHCCCS) administration is Arizona's Medicaid program, established by <u>Laws 1981, 4th Special Session, Ch. 1</u>. AHCCCS is jointly funded by the federal and state governments to provide health care for individuals and families who qualify based on income level.

The CHIP Fund consists of federal funds, appropriated tobacco tax and state General Fund matching monies, gifts and donations, interest and liability recoveries. Each funding source is accounted for separately by AHCCCS (A.R.S. § 36-2995).

#### **Provisions**

- 1. Appropriates the following sums to AHCCCS for adjustments in formula requirements as supplemental appropriations in FY 2023:
  - a) \$58,487,600 from the CHIP Fund; and
  - b) \$3,307,915,900 from expenditure authority. (Sec. 1)

## **Amendments**

Committee on Appropriations

1. Adopted the strike-everything amendment.

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: APPROP DPA/SE 15-0-0-0

HB 2433: technical correction; occupational safety; exemption S/E: pensions; domestic relations orders Sponsor: Representative Livingston, LD 28 Caucus & COW

## Summary of the Strike-Everything Amendment to HB 2433

## Overview

States the value of a pension participant's benefit subject to a domestic relations order is the value at the time of the date of the service of the petition for annulment, dissolution of marriage or legal separation (Date of Service).

#### **History**

Arizona maintains two primary public pension systems: the Arizona State Retirement System (ASRS; A.R.S. § 38-712) and the Public Safety Personnel Retirement System (PSPRS; A.R.S. § 38-841). Within PSPRS, there are also separate plans for corrections officers (CORP; A.R.S. § 38-882) and elected officials (EORP; A.R.S. § 38-802).

Each of these pension plans allows a court to issue a domestic relations order that provides all or any part of a participant's benefit or refund in the system that would otherwise be payable to that participant to instead be paid to an alternate payee. A domestic relations order arises out of a judicial proceeding for annulment, dissolution of marriage or legal separation that provides for the distribution of community property, or in any judicial proceeding to amend or enforce a property distribution (A.R.S. §§ 38-773; 38-822; 38-860; 38-910).

#### **Provisions**

- 1. Requires an acceptable domestic relations order for the ASRS to be valued on the Date of Service. (Sec. 1)
- 2. Sets the value of an EORP, PSPRS or CORP participant's benefit for the purposes of a domestic relations order at the value on the Date of Service. (Sec. 2, 3, 4)
- 3. Makes technical and conforming changes. (Sec. 1-4)

## **Amendments**

Committee on Appropriations

1. Adopted the strike-everything amendment.

□ Prop 105 (45 votos)	□ Prop. 109 (40 votos)	□ Emergency (40 vetee)	□ Figgal Note
☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	



Fifty-sixth Legislature First Regular Session

House: COM DPA/SE 10-0-0-0

HB 2049: bank deposits; technical correction
S/E: unemployment insurance; employer; limitations
Sponsor: Representative Dunn, LD 25
Caucus & COW

# Summary of the Strike-Everything Amendment to HB 2049

## Overview

Asserts after three years from the date the employee separates from employment, the employer of record terminates.

## **History**

Employers are required to pay unemployment taxes on the first \$8,000 in gross wages paid to each employee in a calendar year. The tax rates are based on the employers "reserve ratio". New employers are assigned a tax rate of 2% for a minimum of two years. The tax rate will vary depending on: 1) the amount of taxes paid; 2) the amount of unemployment benefits paid to former employees; 3) the average size of annual taxable payroll; and 4) the overall solvency of the Unemployment Trust Fund.

Employers who paid wages to a claimant in the base period of the claim share the costs of the benefits paid to the claimant through "charges" made to the employer's experience rating accounts. Charging an employer's account for the payment of benefits to a former employee means that the total amount of taxes paid on the account is reduced by the total amount of benefits charged to the account when the tax rate for the next calendar year is calculated (Unemployment Guide).

#### **Provisions**

1. Specifies the employer of record terminates after three years from the date the employee separates from employment. (Sec. 1)

## **Amendments**

Committee on Commerce

1. Adopted the strike-everything amendment.

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: COM DPA 6-3-1-0

HB 2108: unemployment benefits; requirements; disqualifications Sponsor: Representative Livingston, LD 28

Caucus & COW

# **Overview**

Creates requirements and factors to determine the validity and eligibility for Unemployment Insurance (UI) benefits.

## **History**

The Department of Economic Security (DES) administers the unemployment insurance benefit program, which provides temporary financial relief to eligible unemployed individuals who separate from their previous employers at no fault of their own. In order to be eligible for UI <a href="mailto:benefits">benefits</a>, an individual must be able to work, available for work and actively seeking work. Further, the individual must engage in a systematic and sustained effort to search for work on at least four different days each week and make at least four work search contacts each week.

DES examines any claim for benefits and determines whether the claim is valid. DES must promptly notify the claimant of the determination. The claimant has 15 days from the date the notification was mailed to appeal the determination.

Individuals who fail to apply for available and suitable work, actively engage in seeking work, accept suitable work when offered or return to customary self-employment as directed by DES are disqualified from UI benefits (<u>Title 23, Chapter 4, A.R.S.</u>).

- 1. Prevents DES from paying UI benefits until an initial or ongoing claim is cross-checked for validity against outlined data sets. (Sec. 2)
- 2. Stipulates a claim will not be paid and the claimant is disqualified from receiving benefits and referred for prosecution if a cross-check indicates that the claim is ineligible or fraudulent. (Sec. 2)
- Directs DES, prior to paying benefits, to examine any initial claim and confirm the claim's validity if the claim:
  - a. Was submitted electronically through an internet address located outside of Arizona;
  - b. References an address for which another current claim was submitted; or
  - c. Is associated with a direct deposit for a bank account already sued for another current claim. (Sec. 2)
- 4. Allows DES to refer the matter for prosecution if a fraudulent claim was filed. (Sec. 2)
- 5. Clarifies the individual is disqualified for benefits for failure to actively seek and apply for suitable work, to accept an offer of suitable work or accept reemployment at the same employer, if offered. (Sec. 3)
- 6. Requires the individual to conduct at least five specified work search actions each week to qualify as actively seeking and applying for suitable work. (Sec. 3)
- 7. Stipulates the individual must provide a weekly report that details the work search actions for every week a benefit is sought. (Sec. 3)
- 8. Directs an employer to report to DES when an individual who was a previous employee:

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note

- a. Refuses to return to work or accept an offer of suitable work; or
- b. Fails to appear for a scheduled interview or respond to an offer of employment. (Sec. 3)
- 9. Permits employers to submit the required report to DES either digitally or through email. (Sec. 3)
- 10. Requires DES to conduct an independent review of each submitted report to determine whether an individual should be disqualified from receiving benefits. (Sec. 3)
- 11. Makes technical changes. (Sec. 1)

# <u>Amendments</u>

Committee on Commerce

- 1. Removes the UI eligibility requirement that an individual makes an effort to obtain work and searches for work on at least 4 different days each week.
- 2. Clarifies an individual must be available for work to be eligible for UI benefits.



Fifty-sixth Legislature First Regular Session

House: COM DP 9-1-0-0

HB 2208: department of liquor licenses; continuation Sponsor: Representative Wilmeth, LD 2
Caucus & COW

## **Overview**

Continues the Arizona Department of Liquor Licenses and Control (DLLC) for eight years.

## **History**

## **Arizona Department of Liquor License and Control**

DLLC regulates the manufacture, distribution and sale of liquor in this state through the issuance of 21 different licenses. DLLC is primarily responsible for: 1) licensing all liquor manufactures, suppliers and wholesalers and retailers doing business in the state; 2) enforcing liquor laws by investigating complaints, conducting investigations and performing audits of select licensed establishments; and 3) imposing sanctions for violations of state liquor laws (Title 4, A.R.S.).

DLLC consists of the State Liquor Board and the Office of the Director of the Department. The State Liquor Board consists of seven members appointed by the Governor for three-year terms. Five of the members cannot be financially interested directly or indirectly in business licensed to deal with spirituous liquors, one of whom shall be a current elected municipal official. Two members must currently be engaged in business in the spirituous liquor industry or have been engaged in the past, at least one member must currently be a retail licensee or employee of a retail licensee. One member must be a member of a neighborhood association recognized by a city, town or county (A.R.S. § 4-111).

## **Sunset Review Process**

The sunset review process provides a system for the Legislature to evaluate the need to continue the existence of state agencies which are reviewed by a legislative committee of reference (COR). The COR is required to hold a public hearing, receive testimony from agency officials and the public and consider certain sunset factors in determining whether to recommend continuing, consolidating or terminating the agency (A.R.S 41-2954).

The Senate Commerce and House Commerce COR held a public meeting on January 10, 2023 and recommended that the Legislature continue DLLC for eight years. DLLC terminates on July 1, 2023, unless continued by the Legislature (A.R.S. 41-3023.14).

- 1. Continues, retroactively to July 1, 2023, DLLC until July 1, 2031. (Sec 1, 2, 4)
- 2. Repeals DLLC on January 1, 2032. (Sec. 2)
- 3. Contains a purpose statement. (Sec. 3)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: COM DPA 9-0-0-1

HB 2223: liquor; licensing; processes; procedures Sponsor: Representative Gress, LD 4 Caucus & COW

## **Overview**

Establishes a Microbrewery Festival License and makes various changes to liquor statutes.

#### **History**

DLLC regulates the manufacture, distribution and sale of liquor in this state through the issuance of 21 different licenses. DLLC is primarily responsible for: 1) licensing all liquor manufactures, suppliers and wholesalers and retailers doing business in the state; 2) enforcing liquor laws by investigating complaints, conducting investigations and performing audits of select licensed establishments; and 3) imposing sanctions for violations of state liquor laws (Title 4, A.R.S.).

#### **Provisions**

## Microbrewery Festival License

- 1. Allows the Director of DLLC (Director) to temporarily issue a microbrewery festival license that allows:
  - a. The sampling of microbrewery products on the festival premises; and
  - b. The sale of products for consumption on and off the festival premises. (Sec. 4)
- 2. Provides approval requirements by a county's board of supervisors or by a municipal governing body. (Sec. 4)
- 3. Requires a license denial to be forwarded to the Director within 60 days of submission of an application, unless the applicant has requested additional time for consideration. (Sec. 4)
- 4. Specifies the local government approval process does not apply to physical locations that are fully located within a licensed premises. (Sec. 4)
- 5. Limits the time a microbrewery festival license may be issued to a maximum of 150 days.
- 6. Permits the Director to establish a fee for each day of each event for a microbrewery festival license. (Sec. 4)
- 7. Allows any microbrewery to apply for a microbrewery festival license. (Sec. 4)
- 8. Allows a representative of the licensed microbrewery to consume small amounts of the product for quality control purposes. (Sec. 4)
- 9. Permits the Director to, with permission of the state fair organizers or county fair organizers, issue a microbrewery fair license and establish a fee for each day for a fair license. (Sec. 4)
- 10. Permits a microbrewery to allow the sampling and sale of products for consumption on and off the fair premises. (Sec. 4)
- 11. Exempts microbrewery festival licenses from statutory requirements relating to spirituous liquor licensure. (Sec. 4)
- 12. Excludes a microbrewery festival license or microbrewery fair license from statute relating to restrictions on licensing premises near school buildings. (Sec. 5)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note

#### Miscellaneous

- 13. Stipulates the Director may extend the time limits for action by a local governing body, regarding licensure, transfer or acquisition of control, if determined that it is in the public's best interest. (Sec. 2)
- 14. Specifies the Director or the applicant must agree to grant a local governing body's request for an extension of the time limit. (Sec. 2)
- 15. Removes the minimum 60-day time frame for an applicant to send a copy of the extension of premises application to the local governing body. (Sec. 6)
- 16. Permits the Director to act on an application for an extension of premises before the expiration of the 60-day period if the local governing body has made an advisory recommendation. (Sec. 6)
- 17. Includes a valid unexpired consular identification card that was issued using *biometric identity verification techniques* as an acceptable type of identification to purchase liquor. (Sec. 7)
- 18. Increase the total market value of promotional items that may be furnished without cost to an on-sale retailer from \$500 to \$700. (Sec. 8)
- 19. Excludes refrigerators from being considered as a promotional item. (Sec. 8)
- 20. Permits a representative of a licensed *craft producer* to consume small amounts and serve products of *craft producer* on the premises of an off-sale retailer or a retailer with off-sale privileges. (Sec. 9)
- 21. Defines *craft producer* as a licensed farm winery, a licensed microbrewery or a licensed craft distiller. (Sec. 1)
- 22. Changes the tax payment due date for a farm winery, manufacturer, microbrewery, craft distiller or direct shipment licensee from monthly to annually or on or before the twentieth day of the first month of the year. (Sec. 10)
- 23. Changes the sworn return due date for a farm winery, manufacturer, microbrewery, craft distiller or direct shipment licensee from monthly to annually. (Sec. 10)
- 24. Applies the changes to the tax payment due date beginning January 1, 2024. (Sec. 11)
- 25. Makes technical changes. (Sec. 1, 2, 3, 7, 10)

#### **Amendments**

Committee on Commerce

- 1. Removes language relating to extending time limits for a local governing body to act regarding licensure.
- 2. Includes a requirement for a licensee that delivers liquor to complete a specified written record of each delivery and requires such licensee to obtain specified information from the person who accepts the delivery.



Fifty-sixth Legislature First Regular Session

House: COM DPA 8-1-1-0

HB 2251: condominiums; insurance coverage; claims
Sponsor: Representative Wilmeth, LD 2
Caucus & COW

#### Overview

Makes various changes to condominium insurance coverage laws.

#### History

In accordance with statute, a *common expense* is defined as expenditures made by financial liabilities of the association, together with any allocations to reserves. *Common elements* are defined as all portions of a condominium other than the units (A.R.S. 33-1202).

The unit owner's association (Association) must be formed by the date the first condominium is conveyed. The Association may be a profit or nonprofit, corporation or unincorporated organization. The membership of the association must be exclusively comprised of: 1) all the unit owners; 2) all previous unit owners entitled to distributions of proceeds after termination; or 3) their heirs, successors or assigns (A.R.S. 33-1241).

Historically, the Association must have property insurance on the common elements and liability insurance that begins by the first conveyance of a unit to a person. The insurance policies require the unit owner to be insured regarding liability that stems from interests in the common elements. Additionally, if an insurance loss occurs and there is other existing coverage in the unit owner's name of the same property, the Association's policy provides primary insurance. An insurer that is issuing a policy regarding condominiums must issue certificates or memoranda of insurance to the association and, with written request, to any mortgagee or beneficiary under a deed of trust.

In regard to insurance for condominiums, any damage or destruction will be repaired by the Association unless: 1) the condominium is terminated; 2) the repair or replacement is statutorily illegal; or 3) 80% of unit owners vote not to rebuild. The cost of repairs and replacements in excess are considered a common expense. Lastly, the Board of Directors, may obtain additional or greater amounts of insurance coverage if determined appropriate and a general requirement of additional or greater amounts of insurance are permitted (A.R.S. 33-1253).

- 1. Adds that the Association's property insurance must cover the units. (Sec. 1)
- 2. Removes the requirement that the Association's property insurance insure against fire and extended coverage perils, as determined by the board of directors. (Sec. 1)
- 3. Allows the Association to determine the liability insurance amount. (Sec. 1)
- 4. Specifies the Association's property insurance includes the units or any portion of the units, rather than if determined by the board of directors. (Sec. 1)
- 5. Adds that each unit owner is an insured person under the policy with respect to *property damage* arising out of the unit owner's interest in *the unit*. (Sec. 1)
- 6. Requires the Association's insurance policies to provide that each unit owner has the right to report a loss under the property insurance policy. (Sec. 1)

☐ Prop 105 (45 votes) ☐ Prop 108 (40 votes) ☐ Emergency (40 votes) ☐ Fiscal Note				
	☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note

- 7. Stipulates that the insurance deductible is a common expense if the damage or destruction of the condominium originated from common elements or an event outside the units and common elements. (Sec. 1)
- 8. Stipulates that the unit owner is responsible for up to \$10,000 of the insurance deductible, if the cause of damage to or destruction of the condominium originates from the unit owner's unit. (Sec. 1)
- 9. Requires an annual written notice to each unit owner from the Association that informs the unit owners of their responsibility for the Association's property insurance deductible and the amount of the deductible. (Sec. 1)
- 10. Specifies the association's property insurance deductible amount that exceeds the unit owner's \$10,000 responsibility is a common expense. (Sec. 1)
- 11. Allows the association to make an annual assessment against the unit owner who is responsible for the damage to or destruction of the condominium. (Sec. 1)
- 12. Makes clarifying and technical changes. (Sec. 1)

## **Amendments**

Committee on Commerce

- 1. Clarifies the property insurance covers the unit if applicable per the Association's governing document and policy declarations.
- 2. Includes a requirement that the unit owner must notify the Association of any reported property insurance loss.
- Removes language relating to damage from the common elements is a common expense and requiring a unit owner who caused damage to be responsible for up to \$10,000 of the deductible.
- 4. Makes a clarifying change.



Fifty-sixth Legislature First Regular Session

House: COM DP 10-0-0-0

HB2293: liquor; purchase; identification Sponsor: Representative Cook, LD 7 Caucus & COW

## **Overview**

Allows a valid unexpired border crossing card to be used as valid proof that the person is of legal drinking age.

## **History**

Current statute stipulates the following written instruments as the only types of identification acceptable to be demanded if a licensee, an employee of the licensee or any other person questions or has reason to question that the person ordering, purchasing, attempting to purchase or otherwise procuring or attempting to procure the serving or delivery of spirituous liquor or entering a portion of a licensed premises when the primary use is the sale or service of spirituous liquor is under the legal drinking age:

- 1) An unexpired driver license issued by this State;
- An unexpired driver license issued by any other state, the District of Columbia, any territory
  of the United States or Canada if the license includes a picture of the person and the
  person's date of birth;
- 3) An unexpired nonoperating identification license;
- 4) A form of identification license issued by any other state, the District of Columbia, any territory of the United States or Canada if the license is substantially equivalent to a nonoperating identification license and includes a picture of the person and the person's date of birth;
- 5) An unexpired armed forces identification card that includes the person's picture and date of birth: and
- 6) A valid unexpired passport or a valid unexpired resident alien 19 card that includes the person's picture and date of birth (A.R.S. § 4-421).

A <u>Border Crossing Card</u> (BCC) is both a BCC and a B1/B2 visitor's visa. A BCC (also referred to as a DSP-150) is issued by the U.S. Department of State – Bureau of Consular Affairs and has enhanced graphics and technology, similar to the size of a credit card. It is valid for travel until the expiration date on the front of the card, usually ten years after issuance. To qualify for a BCC, the applicant must have a valid Mexican passport and meet the eligibility standards for B1/B2 visas.

- 1. Adds a valid unexpired border crossing card, issued by the US government containing a photograph of the person and the date of birth, as a valid type of identification as proof of legal drinking age. (Sec.1)
- 2. Makes technical changes. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: COM DP 6-4-0-0

HB2402: small business incubator program Sponsor: Representative Gress, LD 4 Caucus & COW

## Overview

Appropriates \$500,000 from the Federal Temporary Assistance for Needy Families Block Grant (Federal Assistance Grant) in FY 2024 to the Arizona Commerce Authority (ACA) for establishing and administering the Small Business Incubator Program (Program).

## **History**

The ACA was established in 2011 with the mission to provide private sector leadership in: 1) growing and diversifying the economy of Arizona; 2) creating high-quality employment in Arizona through expansion, attraction and retention of businesses; and 3) marketing Arizona for the purpose of expansion, attraction and retention of businesses (A.R.S. § 41-1502).

The Arizona Department of Corrections (ADC) is established with the objective of encompassing the various institutions, facilities and programs which are now or may become a part of the correctional program of the state and to provide the supervisory staff and administrative functions at the state level of all matters relating to the institutionalization, rehabilitation and community supervision functions of all adult offenders (A.R.S. § 41-1602).

The <u>Temporary Assistance for Needy Families</u> program is designed to help low-income families with children achieve economic self-sufficiency. TANF provides monies to states in the form of grants which may be used for expenditures that are reasonably calculated to accomplish the purposes of TANF:

- 1) Provide assistance to needy families so that children can be cared for in their own homes;
- 2) End the dependence of needy parents on government benefits by promoting job presentation, work and marriage;
- 3) Prevent and reduce the incidence of out-of-wedlock pregnancies and establish annual numerical goals for preventing and reducing the incidence of these pregnancies; and
- 4) Encourage the formation and maintenance of two-parent families. (45 CFR § 263.11, 260.20).

According to JLBC, the State, for FY 23, has approximately \$244,000,000 in available TANF monies and will expend approximately \$227,000,000.

- 1. Establishes the Program in the ACA to assist current and former inmates who are participating in second chance centers to establish small businesses. (Sec. 1)
- 2. Defines *second chance center* as a program in which ADC and DES collaborate and bring comprehensive services to inmates who are nearing release and who are most likely to recidivate. (Sec. 1)
- 3. Appropriates \$500,000 from the Federal Assistance Grant in FY 2024 to the ACA for establishing and administering the Program. (Sec. 2)
- 4. Exempts the appropriation from lapsing. (Sec. 2)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: COM DPA 10-0-0-0

HB 2446: smart and safe fund; distribution Sponsor: Representative Martinez, LD 16 Caucus & COW

## **Overview**

Amends the list of recipients who receive a portion of monies from the Smart and Safe Arizona Fund (Fund).

#### History

In 2020, the voters approved Proposition 207 which legalized the adult use of and prescribed the regulation and taxation for recreational marijuana. Prop 207 established the Fund which consists of monies derived from an excise tax on the sale of marijuana products, license and registration fees and certain civil penalties. Fund monies are first used to pay for administration and enforcement costs relating to the implementation of Prop 207. Remaining Fund monies are distributed to specified entities on a percentage basis:

- 1) 33% to community college districts for investing in and providing workforce development programs, job training, career and technical education and STEM programs;
- 31.4% to municipal police and fire departments, fire districts and county sheriffs' departments in proportion to the number of members in the Public Safety Personnel Retirement System and the Public Safety Personnel Defined Contribution Retirement Plan for personnel costs;
- 3) 25.4% to the Arizona Highway User Revenue Fund:
- 4) 10% to the Justice Reinvestment Fund; and
- 5) .2% to the Attorney General. (A.R.S. § 36-2856)

#### **Provisions**

- Includes Indian reservation police agencies, Indian reservation firefighting agencies, university police departments at institutions under the jurisdiction of the Arizona Board of Regents, the Department of Public Safety and joint powers authorities to the list of recipients who receive the portion (31.4%) of Fund monies relating to public safety. (Sec. 1)
- 2. Applies retroactively to January 1, 2021. (Sec. 2)
- 3. Contains a Prop 105 clause. (Sec. 3)
- 4. Makes conforming changes. (Sec. 1)

## **Amendments**

Committee on Commerce

1. Removes all additional Fund recipients except for joint powers authorities.

☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: ED DPA/SE 10-0-0-0

HB 2060: charter schools; financial requirements; revisions S/E: public schools; requirements; revisions Sponsor: Representative Grantham, LD 14 Caucus & COW

## Summary of the Strike-Everything Amendment to HB 2060

#### Overview

Makes numerous changes to statutes affecting school districts and charter schools, including website posting, accounting and K-3 literacy requirements.

## **History**

#### Website Posting Requirements

Numerous statutes require school districts and charter schools to post, display or make accessible certain information on their websites, such as: 1) policies and procedures for reporting crimes; 2) the statutory handbook of parental rights (parental rights handbook); 3) policies and procedures for parental classroom visits; 4) open enrollment policies; and 5) average teacher salary data (A.R.S. §§ 15-153, 15-189.05, 15-249.16, 15-341, 15-816.01, 15-903).

#### Uniform System of Financial Records (USFR)

A charter school must ensure that it is subject to the same financial and electronic data submission requirements as a school district, including the USFR. The Auditor General must revise the USFR to ensure that the provisions that relate to charter schools are in accordance with commonly accepted accounting principles used by private business (A.R.S. § 15-183).

#### Literacy Requirements

Before <u>Laws 2022</u>, <u>Chapter 120</u>, A or B letter grade schools were only required to submit an updated K-3 reading program plan to the Arizona Department of Education (ADE) in odd-numbered years. Currently, all schools must *annually* submit an updated plan (<u>A.R.S.</u> § 15-211).

Beginning the 2022-2023 school year, the State Board of Education (SBE) must adopt a statewide kindergarten entry evaluation tool to administer to kindergarten students. School districts and charter schools must administer this tool within 45 days after the beginning of the school year or after a pupil enrolls (A.R.S. § 15-701).

## **Provisions**

## Website Posting and School Personnel Files

- 1. Authorizes a school district, school operated by a school district or charter school to:
  - satisfy any statutory requirement to post, prominently display, make accessible or otherwise include specified information on its website by making a link to the information available on its home page; and
  - b. consolidate all information that is statutorily required to be posted, prominently displayed, made accessible or otherwise included on its website on a single webpage and specifies this information is not required to be posted on its home page. (Sec. 2)
- 2. Removes the requirement that a school district governing board or charter school:
  - a. keep specified information in a personnel file for prescribed employees;
  - b. inform parents of the availability of that information; and
  - c. make the information available for parental inspection upon request. (Sec. 4, 8)

☐ Prop 105 (45 votes) ☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note
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#### **USFR**

- 3. Deletes the requirement that a charter school's charter ensure it is subject to the USFR and instead allows the charter to designate the USFR as the accounting system, methods and procedures used to comply with financial data submission requirements. (Sec. 4)
- 4. Allows an independent certified public accountant to submit a compliance questionnaire, rather than specifically a *USFR* compliance questionnaire, with applicable audit reports as prescribed. (Sec. 15)

#### School Personnel Training

- 5. Permits each school district and charter school to fulfill dyslexia training requirements by ensuring a designated employee has received the prescribed training. (Sec. 4)
- 6. Directs SBE to adopt rules to allow designated school employees to count specified training for students with reading impairments as continuing education credits. (Sec. 6)

## K-3 Reading Plans

- 7. Narrows the school districts and charter schools required to annually submit an updated K-3 reading plan to those that:
  - a. receive a D or F letter grade; or
  - b. have more than 10% of 3rd grade students who do not demonstrate sufficient reading skills according to the statewide reading assessment. (Sec. 5)

## Kindergarten Entry Evaluation Tool

- 8. Declares school districts and charter schools:
  - a. are not required to administer the kindergarten entry evaluation tool adopted by SBE; and
  - b. must select appropriate evaluation methods or assessments, or both, to administer to kindergarten students within outlined timeframes. (Sec. 10)

## Parental Rights Handbook

- 9. Reorganizes the requirement that ADE develop a parental rights handbook by directing ADE to develop a handbook for parents of children enrolled in school districts and a handbook for parents of children enrolled in charter schools. (Sec. 7)
- 10. Outlines the statutes included in the charter school parental rights handbook. (Sec. 7)

## Requesting Transfer Records

11. Allows, rather than requires within five school days after enrolling a transfer student, a school to request the student's record from their previous school. (Sec. 13)

#### Miscellaneous

- 12. Makes technical changes. (Sec. 3, 7, 10, 11, 12)
- 13. Makes conforming changes. (Sec. 1, 3, 4, 6, 7, 8, 9, 10, 11, 12, 14, 15, 16)

## **Amendments**

Committee on Education

- 1. Restores language that:
  - a) requires school districts and charter schools to keep employee personnel files as prescribed:
  - b) subjects charter schools to the USFR;
  - c) instructs all schools, regardless of letter grade designation, to annually submit an updated K-3 reading plan; and
  - d) requires schools to administer the kindergarten entry evaluation tool adopted by SBE.
- 2. Allows each school district and charter school to fulfill dyslexia training requirements by ensuring a *literacy coach* or *literacy specialist*, rather than a *designated employee*, has received the prescribed training.

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3. Reestablishes the requirement that a school request a transfer student's record from their previous



Fifty-sixth Legislature First Regular Session

House: GOV DPA 9-0-0-0 | HHS DPA 8-1-0-0

HB 2001: department of health services; rulemaking Sponsor: Representative Cook, LD 7
Caucus & COW

# **Overview**

Exempts the Arizona Department of Health Services (DHS) rules from the Arizona Administrative Procedures Act (APA) if certain criteria are met.

## **History**

The APA provides procedures for agency rulemaking and for appealing agency decisions. Specifically, <u>Title 41</u>, <u>Chapter 6</u>, <u>Article 3</u> outlines the statutory requirements for state agencies in regard to rulemaking authority. These requirements are designed to ensure adequate public participation in the rulemaking process.

A *rule* is an agency statement of general applicability that implements, interprets or prescribes law or policy, or describes the procedure or practice requirements of an agency (<u>A.R.S. § 41-1001</u>). If a proposed rule falls within any of the specific categories listed in <u>A.R.S. § 41-1005</u>, it is exempt from the APA and can be made without following APA procedures and the effective date of an exempt rule depends on the statutory exemption (<u>Arizona Rulemaking Manual</u>).

DHS conducts <u>regular rulemaking</u> according to the statutory requirements. Currently, DHS is exempt from rulemaking for: 1) emergency medical services protocols; and 2) rules or substantive policies statements concerning inmates or committed youth of a correctional or detention facility in secure custody or patients admitted to a hospital (<u>A.R.S. § 41-1005</u>).

#### **Provisions**

- 1. States that DHS rules are exempt from the APA if all are applicable:
  - a. The rules reduce a regulatory burden without jeopardizing health and safety;
  - b. The rules do not increase costs to persons who are regulated by the rule; and
  - c. Before adoption of the rules, the public is provided at least 15 days to comment on the rules. (Sec. 1)
- 2. Makes conforming changes. (Sec. 1)

# **Amendments**

Committee on Government

1. Adds to the exempt criteria that the rules do not expand Medicaid or any other welfare services.

Committee on Health & Human Services

1. Applies the exemption only to rules that regulate an accredited hospital that meet the specified criteria.

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: GOV DP 9-0-0-0

HB 2075: school blueprints; public records; exemption Sponsor: Representative Terech, LD 4
Caucus & COW

# **Overview**

Stipulates that school building blueprints are not public records.

#### <u>History</u>

All records made or received by public officials or employees of this state or the counties, cities and towns of this state in the course of their public duties are the property of this state (A.R.S. § 41-151.15).

Permanent public records of the state, a county, city or town or other political subdivision of the state, must be transcribed or kept on paper or other material which is of durable or permanent quality and which conforms to standards established by the director of the Arizona State Library, archives and public records (A.R.S. § 39-101).

Any person may request to examine or be furnished copies, printouts or photographs of any public record during regular office hours or may request that the custodian mail a copy of any public record not otherwise available on the public body's website to the requesting person. The custodian may require any person requesting pay in advance for any copying and postage charges (A.R.S. § 39-121.01).

The School Facilities Oversight Board powers and duties include, maintaining a database of school facilities and developing elementary and high school designs (A.R.S. § 41-5702).

1.	Asserts that	at school	building	blueprints	are	not	public	records	and	are	exempt	from	public	record
	requests. (	Sec. 1)												

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: GOV DPA 6-3-0-0

HB 2144: open meetings; capacity; posting; violation Sponsor: Representative Dunn, LD 25 Caucus & COW

#### Overview

Specifies changes to public meetings and proceedings regulations.

#### History

Currently, all meetings of any public body must be public meetings and all persons desiring to attend and listen to deliberations and proceedings must be permitted (A.R.S. § 38-431.01).

For an individual member of a public body, a superior court may impose a civil penalty not to exceed \$500 for the second offense and not to exceed \$2,500 for the third and subsequent offenses against each person who knowingly violates public meetings and proceedings laws (meeting laws). Additionally, a superior court may remove a public officer from office if the court determines the public officer knowingly violated any provision of meeting laws (A.R.S. § 38-431.07).

Currently, agendas required under meeting laws must list the specific matters to be discussed, considered or decided at the meeting. The public body must only consider matters listed on the agenda (<u>A.R.S. § 38-431.02</u>).

A *Public Body* is the Legislature, all boards and commission of Arizona or a political subdivision. It includes all multimember governing bodies of departments, agencies and institutions of Arizona. Additionally, it includes all corporations and entities whose boards of directors are appointed or elected in Arizona. Finally it includes all commissions and public entities established by the Arizona Constitution (A.R.S. § 38-431).

#### **Provisions**

- 1. Requires all public bodies to provide sufficient seating to accommodate the anticipated attendance of the deliberations and proceedings of a public body. (Sec. 1)
- 2. Specifies that any head of a public body that fails to provide sufficient seating is liable for a civil penalty outlined in statute. (Sec. 1)
- 3. Requires the agenda of the public meeting to include notice of the time that the public will have physical access to the meeting place. (Sec. 2)
- 4. Specifies that any head of public body that fails to include notice of the time that the public will have physical access to the meeting place is liable for a civil penalty outlined in statute. (Sec. 2)
- 5. Makes technical and conforming changes. (Sec. 1, 2)

## **Amendments**

Committee on Government

- 1. Removes the specific civil liability for the head of a public body.
- 2. Exempts agendas of meetings through technological devices from providing the time the public will have physical access to the meeting place.

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: GOV DPA/SE 9-0-0-0

HB 2156: proxy voting; governmental entities; prohibition S/E: governmental entities; proxy voting; prohibition Sponsor: Representative Livingston, LD 28 Caucus & COW

## Summary of the Strike-Everything Amendment to HB 2156

#### Overview

Outlines requirements for the State Treasurer and states a governmental entities responsibilities and duties regarding investment decisions and voting held shares in respect to a plan.

#### **History**

The <u>Office of the State Treasurer</u> is responsible for the banking and investment management duties for the State of Arizona, provides investment services to local governments and exclusively manages the Permanent Land Endowment.

Currently, statute outlines the State Treasurer is responsible for the safekeeping of all securities acquired by him and those for which he is the lawful custodian. The State Treasurer can also enter into an agreement with investment managers to invest treasury monies or with advisors to recommend investment strategies or tactics for the investment of treasury monies, including legal advisors and software to assist with the analysis, tracking and trading of securities. Investment managers are required to regularly account for, itemize and inventory all securities and report the findings to the State Treasurer at least monthly or on demand (A.R.S. §§ 35-317 and 33-318).

#### **Provisions**

#### State Treasurer

- 1. Requires the State Treasurer to post a current list of its state investments by name and investment managers on the State Treasurer's website and update any changes within a reasonable period of time. (Sec. 1)
- 2. Asserts that all state investments are to be made in the sole interest of the beneficiary taxpayer. (Sec. 1)
- 3. Stipulates an investment evaluation, conducted by the State Treasurer, must be based on pecuniary factors. (Sec. 1)

## **Government Entities**

- 4. Instructs a governmental entity, that establishes or maintains a plan, to make all direct investment decisions based solely on pecuniary factors when evaluating an investment. (Sec. 1)
- 5. Requries a governmental entity or their proxy to vote all directly held shares based on pecuniary factors. (Sec. 1)
- 6. States that a governmental entity that has indirect investments or commingled investments must notify its general partner or investment manager to:
  - a. make investment decisions based solely on pecuniary factors when evaluating an investment; and
  - b. proportionally vote directly held shares, or have its directly held shares proportionally voted, based solely on pecuniary factors. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note

7. Defines pecuniary factor and plan. (Sec. 1)



Fifty-sixth Legislature First Regular Session

House: WM W/D | GOV DPA/SE 9-0-0-0

HB 2213: TPT; exemption; utilities; residential customers S/E: case management; remote access; requirements Sponsor: Representative Griffin, LD 19 Caucus & COW

## Summary of the Strike-Everything Amendment to HB 2213

#### Overview

Requires the Department of Child safety (DCS) to provide direct remote access (Access) to its automated case management systems (Systems) to the various state agencies. Outlines additional requirements.

## **History**

Currently, to provide oversight of DCS, DCS must provide access to case file information to the following persons if the information is necessary to perform official duties:

- federal or state auditors;
- persons conducting any accreditation deemed necessary by DCS;
- 3) a standing committee of the Arizona Legislature or a committee appointed by the President of the Senate or the Speaker of the House of Representatives;
- 4) a legislator who requests DCS information in the regular course of the legislator's duties;
- 5) a citizen review panel, a child fatality review team and the Office of Ombudsman-Citizens Aid:
- 6) an independent oversight committee; and
- 7) the Governor (A.R.S. § 8-807).

#### **Provisions**

#### Department of Child Safety

- 1. Requires DCS to provide the Supreme Court Access to all Systems that are used by DCS for the Supreme Court (Court) to use in assisting a local foster care review board (Board) in performing the Board's duties. (Sec. 1)
- 2. Stipulates that if information is not available through DCS' Systems, DCS must provide the Court with a hard copy of all records kept by DCS for the Court to use in assisting a Board in performing its duties. (Sec. 1)
- 3. Repeals statute that required DCS to provide information necessary for a Board to perform its statutory duties through an automated information exchange. (Sec. 2)
- 4. Repeals statute that required DCS and the administrative office of the courts, on behalf of the state Board, to enter into a data sharing agreement to govern the parameters of the automated information exchange. (Sec. 2)
- 5. Requires DCS to provide information necessary for Boards to perform their statutory duties through direct remote online access to all DCS information identified by the Board as necessary for the performance of the board's duties. (Sec. 2)
- 6. Stipulates that if the information contained in the record is not available in a System used by DCS, DCS must provide a hard copy record to a Board as necessary for the performance of the board's duties. (Sec. 2)

- 7. Requires DCS to keep all its information separate within its case management information system. (Sec. 4)
- 8. Requires DCS information to be kept in the following categories:
  - a. information and records that are protected by attorney-client privilege;
  - b. information and records that are considered attorney work products; and
  - c. except for background check information that is independently verified by DCS, background check information that is obtained from DPS or the FBI. (Sec. 4)
- 9. Repeals statute that states DCS information includes all information it gathers during the course of an investigation conducted from the time a file is opened until it is closed. (Sec. 4)
- 10. Repeals statute that states DCS information does not include information that is contained in child welfare agency licensing records. (Sec. 4)

#### Office of the Ombudsman-Citizens Aide

- 11. Stipulates it is the public policy of Arizona that the Office of the Ombudsman-Citizens Aide (OOCA) has direct remote access to all DCS information within DCS' System unless explicitly prohibited by law. (Sec. 4)
- 12. States any person or entity charged with interpreting DCS or the OOCA statutes must act in favor of open access for the OOCA. (Sec. 4)
- 13. Stipulates that nothing will restrict or permit DCS to restrict the access of OOCA to DCS' System or any DCS information. (Sec. 4)
- 14. Stipulates public disclosure is prohibited as outlined in statute. (Sec. 4)
- 15. Defines DCS Information. (Sec. 3)
- 16. Makes technical and conforming changes. (Sec. 2, 3, 4)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note
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Fifty-sixth Legislature First Regular Session

House: GOV DPA 5-4-0-0

HB 2254: rulemaking; regulatory costs; legislative ratification Sponsor: Representative Wilmeth, LD 2 Caucus & COW

# **Overview**

Requires a proposed rule (Rule) that will increase regulatory costs in excess of \$500,000 within two years after implementation to be ratified by the Legislature.

## **History**

The Administrative Procedures Act provides procedures for agency rulemaking and for appealing agency decisions. Specifically, Title 41, Chapter 6, Article 3 outlines the statutory requirements for state agencies in regard to rulemaking authority. These requirements are designed to ensure adequate public participation in the rulemaking process.

The Administrative Rules Oversight Committee (Committee) was established to have oversight over any rules except those rules exempt by A.R.S. § 41-1005. The committee can review any proposed or final rule, expedited rule, agency practice alleged to constitute a rule or substantive policy statement for conformity with statute and legislative intent. (A.R.S. §§ 41-1046, 41-1047 and 41-1048).

#### **Provisions**

- 1. States that if a Rule is estimated to increase regulatory costs in excess of \$500,000, or have an adverse impact on economic growth, the Rule may not become effective until the Legislature enacts legislation to ratify the Rule. (Sec. 1)
- 2. Requires an agency, no later than 30 days before the next regular legislative session, to submit the Rule to the Committee and instructs the Committee to submit the proposed rule to the Legislature as soon as practicable. (Sec. 1)
- 3. Allows any Legislator to introduce legislation to ratify the proposed rule. (Sec. 1)
- 4. Specifies the Rule is exempt from the 120 day time limit for an agency to submit the rule to the Governor's Regulatory Review Council or terminate the proceedings. (Sec 1)
- 5. Restricts an agency from filing a final rule with the SOS before obtaining Legislative approval of the rule. (Sec. 1)
- 6. Directs the agency to terminate the proposed rulemaking if the Legislature does not enact legislation to ratify the proposed rule during the current legislative session. (Sec. 1)
- 7. Stipulates the legislative ratification of a Rule does not apply to emergency rules. (Sec. 1)
- 8. Asserts an applicable Rule, beginning on the effective date, is void and unenforceable unless it is adopted through legislative ratification. (Sec. 1)

## **Amendments**

Committee on Government

□ Prop 105 (45 votes)

Adds that any rule that will have an adverse impact on economic growth in excess of \$500,000 within two years of after implementation is subject to legislative ratification.

5 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: GOV DPA/SE 8-0-0-1

HB 2416: technical correction; sports facilities account
S/E: electronic applications; government employees; prohibition
Sponsor: Representative Gress, LD 4
Caucus & COW

## Summary of the Strike-Everything Amendment to HB 2416

#### Overview

Requires ADOA to develop standards, guidelines and practices (Standards) for state agencies, contractors of this state and public institutions of higher education (Agencies) for use of covered applications (Applications) on state information technology (IT) systems.

#### **History**

ADOA is responsible for government IT functions (A.R.S. 18-102).

Currently, ADOA must develop, implement and maintain a coordinated state wide plan for IT including adopting statewide technical and coordination standards for IT (A.R.S. 18-104).

- 1. Requires ADOA, not more than 30 after the effective date, to develop Standards for Agencies that do the following:
  - a. Require the removal of any Applications from state IT;
  - Address the use of personal electronic devices by state employees and contractors of this state to conduct state business, including Application-enabled cell phones with remote access to an employee's state email account; and
  - c. Identify sensitive locations, meetings or personnel within a state agency that could be exposed to covered applications-enable personal devices and develop restrictions on the use of personal cell phones, tablets or laptops in a designated sensitive location. (Sec. 1)
- 2. Requires each Agency to develop policies to support the implementation of IT standards and report the policy to ADOA. (Sec. 1)
- 3. Prohibits state employees and contractors of this state from conducting state business on any personal electronic device that has an Application. (Sec. 1)
- 4. Requires each Agency to implement network-based restrictions to prevent the use of prohibited technologies on agency networks by any electronic device and strictly enforce these restrictions. (Sec. 1)
- 5. Requires each state employee to sign a document annually confirming the employee understands the IT Standers. (Sec. 1)
- 6. Stipulates a state employee who violates the Standards may be subject to disciplinary action, including termination of employment. (Sec. 1)
- 7. States ADOA must require all state agencies and public institutions of higher education to implement security controls on state IT that does all of the following:
  - a) Restrict access to application stores or unauthorized software repositories to prevent the installation of unauthorized applications;

☐ Prop 105 (45 votes) ☐ Prop 108 (40 vote	s)  □ Emergency (40 votes)	☐ Fiscal Note
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- b) Have the ability to remotely disable noncompliant or compromised state IT;
- c) Have the ability to remotely uninstall unauthorized software from state IT;
- d) As necessary, deploy secure baseline configuration for state IT;
- e) Restrict access to any Application on all agency technology infrastructures and networks; and
- f) Restrict any personal electronic device that has an Application from connecting to agency technology infrastructures or state data. (Sec. 1)
- 8. Allows ADOA to grant exemptions to the Standards to enable law enforcement investigations and other appropriate uses of Applications on state-issued devices if the state agency or public institution of higher education requesting access establishes a separate network. (Sec. 1)
- 9. States all exceptions to the information technology standards and guidelines must be reported to AZDOHS. (Sec. 1)
- 10. Outlines permissible exceptions to the IT Standards. (Sec. 1)
- 11. States a public institution of higher education may include an exception to accommodate students use of a state email address on a device owned by the student or the student's immediate family. (Sec. 1)
- 12. Requires ADOA to annually update and publish a list of applications, service, hardware and software (IT system) that may be banned if the IT system presents a cybersecurity threat to Arizona. (Sec. 1)
- 13. Requires ADOA to notify each state agency, public institution of higher education, the directors of JLBC and OSPB of any IT system that is added to or removed from the list of potential cyber security threats. (Sec. 1)
- 14. Defines the following:
  - a) Confidential or sensitive information:
  - b) Covered application:
  - c) Public institution of higher education;
  - d) Sensitive location;
  - e) State business;
  - f) State employee; and
  - g) State information technology. (Sec. 1)



Fifty-sixth Legislature First Regular Session

House: HHS DP 9-0-0-0

HB 2035: dental board; formal hearings Sponsor: Representative Bliss, LD 1 Caucus & COW

## Overview

Allows the Arizona State Board of Dental Examiners (Board) to issue a formal complaint and order a formal hearing if the Board's investigation or review finds evidence that demonstrates any causes or grounds for disciplinary action that is sufficient to merit revocation or suspension.

#### **History**

The Board regulates and licenses dental professionals, including dentists, dental hygienists, dental consultants, dental therapists and denturists. Additionally, the Board reviews complaints against licensees and business entities, conducts investigations and is authorized to take disciplinary action for violations of state laws relating to the profession (A.R.S. §§ 32-1201 through 32-1299.26).

Currently, the Board or its investigation committee can investigate any evidence that appears to demonstrate any of the causes or grounds for disciplinary action against any person who is licensed by the Board. The Board or its investigation committees must conduct necessary investigations, including interviews between the investigation committee or Board representatives and the licensee with respect to any information obtained by the Board or investigation committee during the course of an investigation.

If, after completing its investigation or review, the Board finds that the information provided is sufficient to merit disciplinary action against a licensee, the Board may request that the licensee participate in a formal interview before the Board. If the licensee refuses or accepts the invitation for a formal interview and the results indicate that grounds may exist for revocation or suspension, the Board must issue a formal complaint and order that a hearing be held. If the Board finds that the protection of the public requires emergency action after completion of the formal interview, the Board may order a summary suspension of the license pending formal revocation proceedings or other actions (A.R.S. § 32-1263.02).

- 1. Specifies that after the Board completes its investigation or review and finds that the information provided is sufficient to merit revocation or suspension, the Board may issue a formal complaint and order that a formal hearing be held. (Sec. 1)
- 2. Makes technical and conforming changes. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: HHS DP 9-0-0-0 | RA DP 7-0-0-0

HB 2166: DHS; licensure; group homes Sponsor: Representative Dunn, LD 25 Caucus & COW

# Overview

Requires, beginning July 1, 2024, behavioral-supported group homes and group homes operated in Arizona by a service provider and under contract with the Arizona Department of Economic Security (DES) to be licensed and regulated through the Arizona Department of Health Services (DHS).

#### **History**

Under current law, DHS is responsible for the licensure and regulation of Arizona health care institutions. These institutions are defined as every place, institution, building or agency, whether organized for profit or not, that provides facilities with medical, nursing, behavioral health, health screening, supervisory care, personal care, directed care or any other health-related services, including home health agencies, outdoor behavioral health care programs and hospice service agencies (A.R.S. § 36-401).

Group homes are community residential settings for not more than six individuals with developmental disabilities that are operated by service providers under contract with DES. These homes provide room and board, daily habilitation and other assessed medically necessary services and supports to meet the needs of each person. A group home does not include adult developmental homes, child developmental homes, nursing-supported group homes or intermediate care facilities for individuals with intellectual disabilities (A.R.S. § 36-551).

DHS is authorized to license and regulate the health and safety of group homes for persons with developmental disabilities. DHS must issue a license to an accredited facility for a 3-year accreditation period and conduct inspections to ensure that the facility meets health and safety licensure standards. Additionally, DHS establishes requirements for group homes through the Division of Developmental Disabilities (DDD) within DES (A.R.S. §§ 36-132 and 36-591).

- 1. Specifies that group homes and behavioral-supported group homes are exempt from complying with zoning standards for health care institutions as prescribed by DHS. (Sec. 2)
- 2. Forbids the DHS Director from accepting an accreditation report in lieu of a compliance inspection of a behavioral-supported group home, group home or nursing-supported group home. (Sec. 3)
- 3. Requires, by July 1, 2024, behavioral-supported group homes and group homes operated in Arizona by a service provider and under contract with DES to be licensed through DHS. (Sec. 4)
- 4. Prescribes the types of rules that the DHS Director must adopt regarding behavioral-supported group homes, including:
  - ensuring that client's behavioral treatment plans are developed, integrated, coordinated and monitored by clinical professionals that meet specified training, experience and education requirements;
  - b. requiring direct care staff in a behavioral-supported group home to meet specified experience and training standards;
  - c. ensuring clients have an integrated treatment plan that is reviewed by the entire multidisciplinary team every 90 days to determine the effectiveness of the plan interventions; and

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☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	

- d. ensuring that clients have a functional behavioral assessment completed by a qualified clinical professional in consultation with a multidisciplinary team. (Sec. 4)
- 5. Specifies that the multidisciplinary team be composed of, if appropriate:
  - a. psychiatric, medical, nursing and nutrition providers;
  - b. physical, occupational and speech therapists;
  - c. educational personnel;
  - d. behavioral health providers;
  - e. group home direct care staff;
  - f. home health personnel;
  - g. day program staff;
  - h. client, their family or guardian; and
  - i. DDD Representatives. (Sec. 4)
- 6. Defines the following terms:
  - a. behavioral-supported group home;
  - b. development disability;
  - c. group home:
  - d. habilitation;
  - e. behavioral treatment plan;
  - f. client; and
  - g. integrated treatment plan. (Sec. 1, 4, 5)
- 7. Includes behavioral-supported group homes in the definition of *community residential setting*. (Sec. 5)
- 8. Modifies the definition of *group home* to specify that a behavioral-supported group home is not a group home. (Sec. 5)
- 9. Exempts behavioral-supported group homes that are licensed by DHS from the licensure requirement for a community residential setting regarding contracts for the purchase of residential care services. (Sec. 6)
- 10. Exempts DHS and DES from rulemaking requirements for 18 months. (Sec. 7)
- 11. Requires, beginning July 1, 2024, DHS to transfer all group home licenses to the appropriate subclass of health care institution licenses. (Sec. 8)
- 12. Clarifies that for the purposes of licensure, a group home for individuals with developmental disabilities is considered a group home as defined in statute, as amended by this legislation. (Sec. 8)
- 13. Specifies that a group home's initial licensure date or previous license expiration date that is before July 1, 2024, is to be considered their anniversary date for health care institution licensing purposes. (Sec. 8)
- 14. Repeals the group home licensing transfer requirements on July 1, 2026. (Sec. 8)
- 15. Makes technical and conforming changes. (Sec. 1-3, 5)



Fifty-sixth Legislature First Regular Session

House: HHS DP 9-0-0-0

HB 2194: drug overdose fatality review teams
Sponsor: Representative Nguyen, LD 1
Caucus & COW

### Overview

Reinstates the Drug Overdose Fatality Review Team (Review Team) within the Arizona Department of Health Services (DHS) and its powers and duties.

### **History**

<u>DHS</u> aims to promote, protect and improve the health and wellness of individuals and communities in Arizona. The agency strives to set the standard for personal and community health through direct care, science, public policy and leadership. DHS operates programs from the following areas: 1) disease prevention and control; 2) health promotion; 3) community public health; 4) environmental health; 5) maternal and child health; 6) emergency preparedness; 7) regulation of healthcare intuitions and facilities.

<u>Laws 2017, Chapter 234</u> established the Review Team, within DHS, to develop a drug overdose fatalities data collection system. The bill outlined membership specifications, duties and responsibilities and confidentiality requirements. The Review Team was terminated on January 1, 2023.

- 1. Reinstates the Review Team within DHS to be composed of the following department heads:
  - a. DHS;
  - b. Attorney General;
  - c. Arizona Health Care Cost Containment System;
  - d. Department of Economic Security:
  - e. Governor's Office of Y outh, Faith and Family;
  - f. Administrative Office of the Courts:
  - g. State Department of Corrections;
  - h. Arizona Council of Human Services Providers; and
  - i. Department of Public Safety. (Sec. 1)
- 2. Outlines the Review Teams powers and duties. (Sec. 1)
- 3. Authorizes DHS to appoint certain professionals to also serve on the Review Team. (Sec. 1)
- 4. Specifies that Review Team members are not eligible to receive compensation but are eligible for reimbursement of expenses. (Sec. 1)
- 5. Instructs DHS to provide administrative and professional support to the Review Team. (Sec. 1)
- 6. Requires law enforcement agencies to provide unredacted department reports to the chairperson of a local Review Team on request. (Sec. 1)
- 7. Grants the Chairperson of the Review Team or local Review Team, within five days excluding weekends and holidays, access to information and records regarding a drug overdose fatality that is being reviewed by the team or person who overdosed on drugs upon request. (Sec. 1)
- 8. Allows the Review Team to request information and records from specified entities. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note

- 9. Permits a law enforcement agency, with the approval of the prosecuting attorney, to withhold any investigative records from a Review Team or local Review Team that may interfere with a pending criminal investigation or prosecution. (Sec. 1)
- 10. Authorizes the DHS Director to petition the superior court for specified documentation related to the person who overdosed on drugs. (Sec. 1)
- 11. Requires subpoenas to be served and enforced in a manner provided by law. (Sec. 1)
- 12. States that a law enforcement agency is not required to produce the subpoenaed information if the evidence relates to a pending criminal investigation or prosecution. (Sec. 1)
- 13. Mandates all records be returned to the agency or organization on completion of the review. (Sec. 1)
- 14. Prohibits the Review Team or local Review Team from keeping written reports or records containing identifying information. (Sec. 1)
- 15. Mandates that all information and records acquired by the Review Team or any local Review Team are confidential and not subject to subpoena, discovery or introduction into evidence in any civil or criminal proceeding or disciplinary action, except for documents, information and records that are otherwise available from other resources because they were presented to or reviewed by a Review Team. (Sec. 1)
- 16. Exempts Review Team members, local Review Teams, persons attending a team meeting and presenting information to a Review Team from being questioned in a civil or criminal proceedings regarding information presented in or opinions formed because of a meeting. (Sec. 1)
- 17. Specifies that this does not prevent a person from testifying to information obtained independently of the Review Team or that is public information. (Sec.1)
- 18. Allows a Review Team member or a local Review Team member to contact, interview, obtain information by request or subpoena from family members of a deceased who overdosed on drugs. (Sec. 1)
- 19. Clarifies that all other Review Team meetings are open to the public, except for meetings where information about an individual who overdosed on drugs is being reviewed by the Review Team. (Sec. 1)
- 20. Classifies a violation of the prescribed confidentiality requirements as a class 2 misdemeanor. (Sec. 1)
- 21. Repeals the Review Team on January 1, 2029. (Sec. 2)



Fifty-sixth Legislature First Regular Session

House: HHS DP 9-0-0-0

HB 2290: insurance; claims; appeals; provider credentialing Sponsor: Representative Cook, LD 7
Caucus & COW

### Overview

Establishes procedures and timeframes for when a health care insurer denies a health care services claim, in whole or in part.

#### **History**

A *health care insurer* includes a disability insurer, group disability insurer, blanket disability insurer, health care services organization, hospital service corporation and a medical service corporation, prepaid dental plan organization, dental service corporation or optometric service corporation.

Clean claims are written or electronic claims for health care services or benefits that may be processed without obtaining additional information, including coordination of benefits information, from the health care provider, the enrollee or a third party, except in fraud cases (A.R.S. § 20-3101).

Statute outlines the process for timely payment of health care provider's claims and to address grievances. Specifically, health care insurers must adjudicate any clean claim from a contracted or noncontracted health care provider relating to health care insurance coverage within 30 days after the health care insurer receives the clean claim or within the time specified by contract.

If the claim is not a clean claim and the health care insurer requires additional information to adjudicate the claim, the health care insurer must send a written request for additional information to the contracted or noncontracted health care provider, enrollee or third party within 30 days after the health care insurer receives the claim. A health care insurer must not delay the payment of clean claims to a contracted or noncontracted provider or pay less than the amount agreed to by contract to a contracted health care provider without reasonable justification (A.R.S. § 20-3102).

- 1. Requires health care insurers to provide the following information if they deny a health care service claim in whole or in part:
  - a. an explanation of the denial;
  - b. the provider's right to appeal the health care insurer's decision;
  - c. the manner in which the provider may allow the health care insurer's decision, including applicable deadlines;
  - d. the provider's right to request a hearing, if the appeal to the health care insurer is unsuccessful; and
  - e. the manner in which the provider may request a hearing. (Sec. 1)
- 2. Specifies that for the denial explanation, if the denial is based on lack of medical necessity, the health care insurer must provide detailed information as to why the health care service was not medically necessary. (Sec. 1)
- 3. Allows a provider to appeal a health care insurer's decision to deny a claim and file a written claim dispute with the insurer within 180 days after they receive the notice that the claim has been denied. (Sec. 1)
- 4. Requires the claim dispute to specify the factual basis for the dispute and requested relief. (Sec. 1)

- 5. Requires health care insurers to respond to the claim dispute in writing with their decision within 30 days after receiving the written claim dispute unless the provider and insurer mutually agree to a longer period of time. (Sec. 1)
- 6. Outlines what the health care insurers decision must include. (Sec. 1)
- 7. Requires health care insurers to remit payment for approved portions of a claim within 15 days after the date of the health care insurer's decision if a claim is approved in whole or in part. (Sec. 1)
- 8. Allows providers to submit a written request for a hearing to the Arizona Department of Insurance and Financial Institutions (DIFI) and a copy of the request to the health care insurer within 30 days after receiving the health care insurer's decision or the date on which the provider should have received the health care insurer's decision if a claim dispute is denied. (Sec. 1)
- 9. Requires DIFI to request a hearing with the Office of Administrative Hearings (OAH) if a provider timely submits a hearing request. (Sec. 1)
- 10. Directs DIFI to send the Director's decision to the provider within 30 days after the date the administrative law judge issues its recommended decision and order. (Sec. 1)
- 11. Specifies that if the provider decides to withdraw their request for a hearing, the provider must send a written request for withdrawal to DIFI. (Sec. 1)
- 12. Requires DIFI to accept the written request for withdrawal if the request is received before they request a hearing with OAH. (Sec. 1)
- 13. Specifies that if DIFI already submits a request for a hearing, the provider must promptly send a written request for withdrawal to OAH. (Sec. 1)
- 14. Reduces the number of calendar days health care insurers must conclude the process of credentialing and loading an applicant's information into the health insurer's billing system from 100 to 45 calendar days after the date the health insurer receives a complete credentialing application. (Sec. 3)
- 15. Requires health care insurers to provide written or electronic confirmation:
  - a. within two business days on receipt of a complete credentialing application; or
  - b. within seven business days on receipt of a credentialing application with deficiencies. (Sec. 3)
- 16. Specifies that health care insurers must provide written or electronic notice of the approval or denial of a complete credentialing application to an applicant within seven days after the conclusion of the credentialing process. (Sec. 1)
- 17. Prohibits health insurers from denying a claim for a covered service provided to a subscriber by a participating provider who has a fully executed contract with a network plan if the covered services are provided after the date of submission of the complete credentialing application. (Sec. 4)
- 18. Defines terms. (Sec. 1, 2)
- 19. Makes technical and conforming changes. (Sec. 2, 3)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: HHS DP 5-4-0-0

HB 2312: women's shelters; male employees; liability
Sponsor: Representative Jones, LD 17
Caucus & COW

# **Overview**

Asserts that facilities that do not allow biological male employees to be in the presence of a woman or their minor children while living in the facility is not liable for gender discrimination if the facility's sole purpose is to provide a safe and stable shelter for women or women with their minor children.

#### **History**

It is an unlawful employment practice for an employer to do the following because of an individual's race, color, religion, sex, age, national origin or on the basis of disability:

- 1) to fail or refuse to hire, discharge or otherwise to discriminate against any individual with respect to their compensation, terms, conditions or privileges of employment;
- to limit, segregate or classify employees or applicants for employment in any way that would deprive or tend to deprive any individual of employment opportunities or otherwise adversely affect their employee status; and
- 3) to fail or refuse to hire, discharge or otherwise discriminate against any individual based on the results of a genetic test received by the employer (A.R.S. § 41-1463).

Employer, as defined within the discrimination in employment statutes, means:

- 1) a person who has 15 or more employees for each working day in each of 20 or more calendar weeks in the current or preceding calendar year; and
- 2) to the extent that the person is alleged to have committed any act of sexual harassment, a person who has one or more employees in the current or preceding calendar year (A.R.S. § 41-1461).

- 1. Specifies that a facility that does not allow a biological male employee to be in the presence of a woman or their minor children while living in the facility is not liable for gender discrimination if the facility's sole purpose is to provide a safe and stable shelter for women or women with their minor children. (Sec. 1)
- 2. Defines *facility* to include a women's shelter, a women's halfway house and a sex trafficking rehabilitation center for women. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: HHS DPA 9-0-0-0

HB 2313: child placement; relative search; notice.

Sponsor: Representative Jones, LD 17

Caucus & COW

# Overview

Expands the Arizona Department of Child Services (DCS) procedures when conducting due diligence searches to identify and notify adult relatives or persons with a significant relationship with a child taken into temporary custody.

## **History**

The primary purpose of DCS is to protect children. To achieve this, DCS will do and focus equally on: 1) investigating reports of abuse and neglect; 2) assessing, promoting and supporting the safety of a child in a safe and stable family or other appropriate placement in response to allegations of abuse and neglect; 3) cooperating with law enforcement regarding reports that include allegations of criminal conduct; and 4) coordinating services to achieve and maintain permanency for the child, strengthen the family and provide prevention, intervention and treatment services without compromising the child's safety (A.R.S. § 8-451).

If a child is taken into temporary custody, as part of the ongoing search, DCS must use due diligence in its initial search to identify and notify adult relatives and persons with a significant relationship with the child within 30 days after the child is taken into temporary custody. Additionally, DCS must file with the court its attempts to identify and notify adult relatives and persons with a significant relationship with the child (A.R.S. § 8-514.07).

A child can be taken into temporary custody for only one of the following: 1) upon order of the superior court; 2) by a peace officer, child welfare investigator or child safety worker if necessary to protect the child; or 3) by the consent of the child's parent or guardian. The court must hold a preliminary protective hearing to review the taking of a child into temporary custody not fewer than five days nor more than seven days after the child is taken into custody, excluding Saturdays Sundays and holidays (A.R.S. §§ 8-821 and 8-824).

### **Provisions**

## DCS's Due Diligence Search Procedures

- 1. Asserts that if a child is taken into temporary custody the court must order DCS to initiate a due diligence search. (Sec. 2)
- 2. Requires DCS's search when identifying adult relatives or persons with a significant relationship with the child to include:
  - a. an interview with the child's parent;
  - b. an interview with the child;
  - c. interviews with identified adult relatives;
  - d. interviews with other persons likely to have information regarding the location of adult relatives or persons with a significant relationship with the child;
  - e. a comprehensive search of databases;
  - f. thorough inquiries by the court of the parties during case hearings; and
  - g. any other means likely to identify adult relatives or persons with a significant relationship with the child. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note

- 3. Directs DCS to file with the court documentation regarding attempts made to identify and notify adult relatives or persons with a significant relationship with the child within 30 days after the child is taken into temporary custody and at each subsequent hearing. (Sec. 1)
- 4. Requires the document to include:
  - a. a narrative explaining that adult relatives or persons with a significant relationship with the child have accepted or rejected consideration for the child's placement and the status of the DCS's efforts to consider potential placement; and
  - b. documentation of unresponsiveness from adult relatives and persons with a significant relationship with the child who received notice. (Sec. 1)
- 5. Requires DCS, unless domestic violence or other safety concerns exist, to provide notice by certified mail to adult relatives or persons with a significant relationship with the child who are identified through DCS's search. (Sec. 1)
- 6. Outlines the responses that must be provided in the notice. (Sec. 1)
- 7. Instructs DCS to continue to conduct an ongoing search for adult relatives or persons with a significant relationship with the child for six months following the child's out-of-home placement, even if the child's first placement is with an adult relative or person with a significant relationship with the child. (Sec. 1)
- 8. Requires DCS to resume search efforts if ordered by the court, a change in the child's placement occurs or a party shows that continuing the search is in the best interests of the child. (Sec. 1)
- 9. Specifies that on conclusion of DCS's due diligence search efforts, DCS must file with the court documentation of both of the following:
  - a. the completed due diligence search efforts containing specified information; and
  - b. all documented efforts for placement of the child through an interstate compact agreement, including specified information. (Sec. 1)
- 10. Specifies that if an out-of-state placement option exists and DCS has failed to file a request with the receiving state pursuant to the interstate compact agreement, the court must enter a finding that DCS has not made a due diligence search and must order them to file a request with the receiving state. (Sec. 1)
- 11. Stipulates that if an adult relative or a person with a significant relationship with the child receives notice, either fails to respond or responds and declines to be considered as placement for the child and later petitions the court for a change in placement, they must provide evidence that such change is in the child's best interest. (Sec. 1)

#### Miscellaneous

- 12. Directs DCS to submit a written report to the court disclosing their efforts to identify, notify and assess adult relatives and persons with a significant relationship with the child no later than the day before the preliminary protective hearing. (Sec. 4)
- 13. Requires the court to:
  - a. determine at the initial dependency hearing, rather than order, if the parent or guardian is providing the court and DCS with all available information necessary to locate persons who are related to the child or have a significant relationship with the child; and
  - b. determine that DCS is conducting a due diligence search. (Sec. 5)
- 14. Removes the requirement that if there is not sufficient information available to locate a relative or persons with a significant relationship with the child, the parent or guardian must inform the court of this fact. (Sec. 5)
- 15. Removes the requirement that the court must order the parent or guardian to inform DCS immediately if the parent or guardian becomes aware of information related to the existence or location of a relative or persons with a significant relationship with the child (Sec. 5)
- 16. Makes technical and conforming. (1-3, 5)

## Amendments

Committee on Health & Human Services

- 1. Specifies that DCS's search when identifying adult relatives or persons with a significant relationship with the child must include a comprehensive search of available records that are likely to help identify and locate a person being sought.
- 2. Requires an adult relative or a person with a significant relationship with the child to respond within 30 days after receiving notice that the child has been removed from the home.
- 3. Specifies that DCS must continue to conduct an ongoing search until a child is placed with an adult relative or person with a significant relationship to the child.
- 4. Removes the requirement that if an adult relative or a person with a significant relationship with the child receives notice and either fails to respond or responds and declines to be considered as placement for the child and later petitions the court for a change in placement, the adult relative or a person with a significant relationship with the child must provide evidence that such change is in the child's best interest.
- 5. Makes technical and conforming changes.



Fifty-sixth Legislature First Regular Session

House: HHS DP 9-0-0-0

HB 2346: outpatient treatment centers; exemption Sponsor: Representative Shah, LD 5 Caucus & COW

### Overview

Specifies that for an outpatient treatment center (OTC) to be exempt from licensure, supervision, regulation or control of the Arizona Department of Health Services (DHS) it must have the same direct or indirect owner as a licensed hospital, be staffed by licensed health care providers and provide notice to DHS of its decision to be exempt.

### **History**

An exempt *OTC* is a facility with the same governing authority as a licensed hospital, that does not have inpatient beds, provides health services or behavioral health services for the diagnosis and treatment of patients and that is exempt from licensure if certain criteria are met (A.R.S. § 36-439).

Governing authority means the individual, agency, partners, owner, group or corporation, whether appointed, elected or otherwise designated, in which the ultimate responsibility and authority for the conduct of the health care institution are vested. An *owner* means a person who has an ownership interest of at least 51% of a health care institution (A.R.S. § 36-401).

An OTC that has the same governing authority as a licensed hospital and is staffed by licensed health care providers is exempt from DHS's supervision, licensure, regulation or control unless:

- 1) patients are kept overnight or are treated under general anesthesia, except when the treatment by general anesthesia is regulated under the dentistry statutes;
- 2) is an abortion clinic; or
- 3) is a pain management clinic (A.R.S. § 36-402).

An exempt OTC is subject to reasonable inspection by DHS if the Director has reasonable cause to believe that patient harm is or may be occurring. A substantiated complaint that harm is occurring at an exempt OTC is a violation against the hospital's license (A.R.S. § 36-422).

- 1. Exempts an OTC from licensure, supervision, regulation or control of DHS if:
  - a. it has the same director owner or indirect owner as a licensed hospital;
  - b. is staffed by licensed health care providers; and
  - c. provides notice to DHS of its decision to be exempt from licensure. (Sec. 2)
- 2. Specifies that a substantiated complaint that harm is occurring at an exempt OTC is a violation against the license of the hospital listed in the exemption notice provided to DHS. (Sec. 3)
- 3. Defines *direct owner* as a person that has an ownership or control interest in a health care institution totaling 51% or more. (Sec.1)
- 4. Defines indirect owner as:
  - a. a person that has an ownership or control interest in a direct owner totaling 51% or more; and
  - b. includes an ownership or control interest in an indirect owner totaling 51% or more and a combination of direct ownership and indirect ownership or control interests totaling 51% or more in the health care institution. (Sec. 1)

5.	Modifies terms. (Sec.1)				
	☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	

6. Makes technical and conforming changes. (Sec. 1-4)



Fifty-sixth Legislature First Regular Session

House: HHS DP 8-1-0-0

HB 2451: prescription digital therapeutics; pilot program Sponsor: Representative Martinez, LD 16 Caucus & COW

#### Overview

Establishes, beginning October 1, 2023, the Prescription Digital Therapeutics Pilot Program (Pilot Program) in the Arizona Department of Health Services (DHS) to contract with a vendor to procure United States Food and Drug Administration (FDA) authorized prescription digital therapeutics (PDTs) approved for the treatment of substance and opioid use disorders. Appropriates \$10,000,000 from the One Arizona Distribution of Opioid Settlement Funds Agreement (One Arizona Agreement) in FY 2024 to DHS to implement the Pilot Program.

## **History**

<u>DHS</u> aims to promote, protect and improve the health and wellness of individuals and communities in Arizona. The agency strives to set the standard for personal and community health through direct care, science, public policy and leadership. DHS operates programs from the following areas: 1) disease prevention and control; 2) health promotion; 3) community public health; 4) environmental health; 5) maternal and child health; 6) emergency preparedness; and 7) regulation of healthcare intuitions and facilities.

In 2021, Arizona cities, towns and counties signed the One Arizona Memorandum of Understanding, now known as the One Arizona Agreement, to distribute funds across the state from the national opioid settlements. The One Arizona Agreement, supplies funding for programs to address and ameliorate opioid abuse and contains reporting requirements for how the money is used, including:

- 1) 56% of the total settlement goes to local governments for opioid amelioration programs;
- 2) 44% of the total settlement goes to a state fund for opioid amelioration programs:
- funds to be spent in accordance with approved, nationally recognized strategies to pay for future costs incurred by the state and local governments to address the opioid epidemic. Transparent reporting requirements for fund usage to ensure compliance with approved purposes; and
- 4) flexibility for local governments to pool resources to increase the impact of settlement funds.

- 1. Establishes, beginning October 1, 2023, the Pilot Program in DHS to contract with a vendor to procure FDA-authorized PDTs that are approved for the treatment of substance and opioid use disorders to explore the effectiveness of PDT. (Sec. 1)
- 2. Requires DHS to provide PDTs to patients who have been diagnosed with a substance or opioid use disorder and prescribed an FDA-authorized PDT as part of treatment by treating care providers who are participating in the Pilot Program. (Sec. 1)
- 3. Specifies that the use of FDA-authorized PDTs by patients may be in addition to any other treatment for substance or opioid use disorders, including medication-assisted treatment and other behavioral health services. (Sec. 1)
- 4. Enables the Pilot Program to begin no later than October 1, 2023 and operate until October 1, 2025 or until monies appropriated for the Pilot Program are spent, whichever occurs first. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	

- 5. Instructs DHS, within six months after the termination of the Pilot Program, to prepare a report, using data supplied by the contracted vendor of the FDA-authorized PDTs and aggregated claims data, describing their findings regarding the impact of the Pilot Program. (Sec. 1)
- 6. Outlines factors that DHS must provide in their report, including:
  - a. the population included in the Pilot Program;
  - b. the successes and challenges of the Pilot Program;
  - c. participant treatment goals and whether those goals were achieved;
  - d. a comparison of hospitalization for program participants as compared to other patients of the participating treating health care providers who are being treated for substance and opioid use disorders; and
  - e. an explanation of whether and how PDTs prescribed to Pilot Program participants improved their access to treatment. (Sec. 1)
- 7. Requires DHS to submit the report to:
  - a. the Chairpersons and ranking minority party members of the Health & Human Services Committees of the Senate and House of Representatives, or their successor committees; and
  - b. a copy to the Secretary of State. (Sec. 1)
- 8. Defines FDA-authorized prescription digital therapeutic or prescription digital therapeutic. (Sec. 1)
- 9. Appropriates \$10,000,000 from the monies that are governed by the One Arizona Agreement in FY 2024 to DHS to purchase FDA-authorized PDTs to treat substance abuse and opioid use disorders. (Sec. 2)
- 10. Exempts the appropriation from lapsing, except that any remaining monies unexpended and unencumbered revert to the state General Fund on January 1, 2027. (Sec. 2)
- 11. Repeals the Pilot Program on January 1, 2027. (Sec. 1)



Fifty-sixth Legislature First Regular Session

House: HHS DP 9-0-0-0

HB 2455: developmental disabilities; Prader-Willi syndrome Sponsor: Representative Pingerelli, LD 28 Caucus & COW

#### Overview

Modifies the definition of *developmental disability* to include a severe, chronic disability attributable to Prader-Willi syndrome.

#### **History**

Developmental disability means either a strongly demonstrated potential that a child under six years old has a developmental disability or will develop a developmental disability, as determined by specified tests, or a severe chronic disability that:

- 1) is attributable to a cognitive disability, cerebral palsy, epilepsy, Down syndrome or autism;
- 2) is manifested before the age of 18;
- 3) is likely to continue indefinitely;
- 4) results in substantial functional limitations in three or more specified areas of major life activity; and
- 5) reflects the need for a combination and sequence of individually planned or coordinated special, generic or interdisciplinary care, treatment or other services that are lifelong or extended duration (A.R.S. § 36-551).

The <u>Division of Developmental Disabilities</u> (DDD), within the Department of Economic Security provides certain services for individuals diagnosed with a developmental or intellectual disability, including: 1) behavioral health services; 2) respite services; 3) in-home support services; 4) occupational, physical and speech therapies; and 5) medical services.

- 1. Expands the definition of *developmental disability* to include a severe, chronic disability attributable to Prader-Willi syndrome. (Sec.1)
- 2. Defines *Prader-Willi syndrome* as a genetic disorder that is characterized by short stature, intellectual disability, hypotonia, abnormally small hands and feet, hypogonadism and uncontrolled appetite leading to extreme obesity. (Sec. 1)
- 3. Makes conforming changes. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: HHS DPA/SE 6-3-0-0

HB 2469: fentanyl; border; public health crisis S/E: homicide; drug offenses; sentencing Sponsor: Representative Montenegro, LD 29 Caucus & COW

# Summary of the Strike-Everything Amendment to HB 2469

### Overview

Establishes drug trafficking homicide as a criminal offense carrying a class 1 felony designation and delineates elements and sentencing ranges specific to the offense. Includes drug trafficking homicide in existing statutes allowing for enhanced sentencing under certain circumstances.

#### History

Current law outlines certain criminal offenses and sentencing classifications specific to different types of drugs. Two of the main drug categories currently recognized in statute are those for *dangerous drugs* and *narcotic drugs*, both of which are defined to encompass a detailed list of materials, compounds, mixtures or preparations containing various substances or derivatives. Each definition is quite comprehensive, but examples of dangerous drugs include methamphetamine, phencyclidine (PCP) and anabolic steroids, while examples of narcotic drugs include cocaine, fentanyl and heroin (A.R.S. § 13-3401).

With respect to either a dangerous drug or a narcotic drug, it is a criminal offense for a person to knowingly do any of the following:

- possess or use the drug, which is a generally a class 4 felony but may in certain circumstances be designated a class 1 misdemeanor for first time offenses involving certain dangerous drugs;
- 2) possess the drug for sale, which is a class 2 felony:
- 3) possess equipment or chemicals, or both, for the purpose of manufacturing the drug, which is a class 3 felony or, if the drug involved is methamphetamine, a class 2 felony;
- 4) manufacture the drug, which is a class 2 felony;
- 5) administer the drug to another person, which is a class 2 felony;
- obtain or procure the administration of the drug by fraud, deceit, misrepresentation or subterfuge, which is a class 3 felony; or
- 7) transport for sale, import into Arizona, offer to transport for sale or import into Arizona, sell, transfer or offer to sell or transfer the drug, which is a class 2 felony.

Notwithstanding the general sentencing classifications mentioned above, more specific sentencing requirements may apply in certain circumstances, including discrete sentencing ranges or probation eligibility provisions for specific drugs, amounts of drugs or repeat offenses (A.R.S. §§ <u>13-3407</u>, <u>13-3408</u>, <u>13-3419</u>, <u>13-3420</u>).

Current law also provides for enhanced sentencing for various recognized categories of offenses, including crimes that fall within the definitions of a *dangerous offense* (A.R.S. § 13-105), a *dangerous crime against children* (DCAC) (A.R.S. § 13-705), a *serious offense* or a *violent or aggravated felony* (A.R.S. § 13-706). The applicable term of imprisonment for an offense may also be subject to change based on certain aggravating or mitigating circumstances found to be present by a court or jury (A.R.S. § 13-701).

Statute currently requires that a person be sentenced to life imprisonment without eligibility for suspension of sentence, probation, pardon or release from confinement, except for in specific circumstances such as

work release or compassionate leave, until the person has served at least 25 years or the sentence is commuted, if the following qualifications are met:

- 1) the person is at least 18 years old and has been tried as an adult;
- 2) the person is convicted of a serious offense except a drug offense, first degree murder or any DCAC, whether a completed or preparatory offense; and
- 3) the person has previously been convicted of two or more serious offenses not committed on the same occasion (A.R.S. § 13-706).

Many terms specific to the above-mentioned drug offenses, including *administer*, *manufacture*, *sale* (or *sell*) and *transfer*, as well as the *threshold amount* of a certain drug for sentencing purposes, are defined in (A.R.S. § 13-3401). Other terms that are generally applicable throughout Title 13, such as *possess* and *possession*, in addition to *culpable mental state*, which includes specific definitions for *intentionally*, *knowingly*, *recklessly* and *criminal negligence*, are defined in (A.R.S. § 13-105).

- 1. Establishes *drug trafficking homicide* as a criminal offense with the following two elements, both of which must be met:
  - a. the person sells a dangerous drug in violation of <u>A.R.S. § 13-3407</u> or a narcotic drug in violation of <u>A.R.S. § 13-3408</u> and injecting, inhaling, absorbing or ingesting the drug causes another person's death: and
  - b. the sale of the dangerous drug or narcotic drug to the other person was a contributing cause of the other person's death and the death did not result from a cause that is not connected to the defendant. (Sec. 3)
- 2. Specifies that, for the second element mentioned above, the prosecution is not required to prove that the sale of the dangerous drug or narcotic drug was the sole and immediate cause of the other person's death. (Sec. 3)
- 3. Classifies *drug trafficking homicide* as a class 1 felony with a 10-25 year prison sentence (16 year presumptive), unless the convicted person has previously been convicted of drug trafficking homicide or a class 2 or 3 felony involving a dangerous offense, in which case the offense carries a 15-29 year prison sentence (20 year presumptive). (Sec. 3)
- 4. Allows the presumptive prison terms mentioned above to be aggravated or mitigated pursuant to <u>A.R.S.</u> § 13-701. (Sec. 3)
- 5. Specifies that *drug trafficking homicide* is punishable as a DCAC if the victim is under 15 years old and includes the offense in the definition of a DCAC and certain special sentencing provisions applicable to such offenses. (Sec. 1, 3)
- 6. Adds *drug trafficking homicide* to the list of offenses currently included in the definitions of a serious offense and a violent or aggravated felony. (Sec. 2)
- 7. Includes a serious offense that is also a drug offense as an offense that, upon conviction and if other circumstances are met, requires a person to be sentenced to 25 years to life imprisonment. (Sec. 2)
- 8. Entitles this act as the Ashley Dunn Act. (Sec. 4)
- 9. Makes technical changes. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: HHS DP 9-0-0-0

HB 2470: AHCCCS; rapid genome sequencing Sponsor: Representative Montenegro, LD 29 Caucus & COW

### Overview

Directs the Arizona Health Care Cost Containment System (AHCCCS) to provide coverage of rapid whole genome sequencing as a separate payable service for members that meet certain criteria, subject to approval by the Center for Medicare and Medicaid Services (CMS).

#### **History**

Established in 1981, AHCCCS is Arizona's Medicaid program that oversees contracted health plans for the delivery of health care to individuals and families who qualify for Medicaid and other medical assistance programs. Through contracted health plans across the state, AHCCCS delivers health care to qualifying individuals including low-income adults, their children or people with certain disabilities.

Statute outlines the covered health and medical services offered to AHCCCS members, including: 1) inpatient hospital services; 2) outpatient health services; 3) laboratory and X-ray services; 4) prescription medications; 5) medical supplies, durable medical equipment, insulin pumps and prosthetic devices; 6) treatment of medical conditions of the eye; 7) early and periodic health screening and diagnostic services; 8) family planning services; 9) podiatry services; 10) nonexperimental transplants; 11) emergency dental care; 12) ambulance and nonambulance transportation; 13) hospice care; 14) orthotics; 15) medically necessary chiropractic services; and 16) diabetes outpatient self-management training services (A.R.S. § 36-2907).

- 1. Requires AHCCCS, subject to CMS approval, to provide coverage of rapid whole genome sequencing as a separate payable service for members that meet the following criteria:
  - a. is under one year's old;
  - b. has a complex or acute illness of unknown etiology that is not confirmed to be caused by an environmental exposure, toxic ingestion, infection with normal response to therapy or trauma; and
  - c. is receiving inpatient hospital services in an intensive care unit or a high acuity pediatric care unit. (Sec. 1)
- 2. Specifies that coverage for rapid whole genome sequencing may be subject to applicable evidence-based medical necessity criteria that is based on the following:
  - a. the patient has symptoms that suggest a broad differential diagnosis that would require an evaluation by multiple genetic tests if rapid whole genome sequencing is not performed;
  - b. the patient's treating health care provider determines that timely identification of a molecular diagnosis is necessary to guide clinical decision-making and that testing results may guide the treatment or management of the patient's condition; or
  - c. the patient has a complex or acute illness of unknown etiology, including at least one of the specified conditions. (Sec. 1)
- 3. Requires genetic data generated as a result of performing rapid whole genome sequencing that is covered to include:
  - a. a primary use of assisting the ordering health care professional and treating care team to diagnose and treat the patient; and

☐ Prop 105	(45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note

- b. protected health information that is subject to the requirements applicable to protected health information as set forth by certain federal laws and their attendant regulations. (Sec. 1)
- 4. Directs the AHCCCS Director to submit any new waiver application, amendment to an existing waiver or Medicaid state plan amendment necessary for CMS approval for coverage of rapid whole genome sequencing. (Sec. 1)
- 5. Allows the AHCCCS Director to adopt any rules or take any other administrative action necessary to implement these requirements. (Sec. 1)
- 6. Defines rapid whole genome sequencing. (Sec. 1)



Fifty-sixth Legislature First Regular Session

House: JUD DPA 5-3-0-0-0 | APPROP DP 9-1-4-1-0-0

HB 2226: appropriation; fentanyl prosecution; testing; fund Sponsor: Representative Gress, LD 4
Caucus & COW

# **Overview**

Establishes the Fentanyl Prosecution and Testing Fund (Fund) and requires the Department of Public Safety (DPS) to administer the Fund by allocating monies to certain agencies to reimburse costs for fentanyl prosecution and testing. Appropriates \$5,000,000 from the state General Fund (GF) to the Fund in FY 2024.

#### **History**

DPS is a statutorily created agency with many powers and responsibilities. One of DPS's primary directives is to create and coordinate services for use by local law enforcement agencies in protecting the public safety. Among other responsibilities, DPS is required to formulate plans and establish services for crime prevention, criminal apprehension, training law enforcement personnel and generally promote public safety (A.R.S. § 41-1711).

### **Provisions**

- 1. Establishes the Fund and requires DPS to administer it. (Sec. 1)
- 2. Requires DPS to allocate monies appropriated to the Fund on a first-come, first-served basis to the following:
  - County attorneys, county sheriffs and courts to reimburse costs related to fentanyl prosecutions in Arizona:
  - b. Law enforcement agencies to reimburse costs related to fentanyl testing. (Sec. 1)
- 3. Appropriates \$5,000,000 from the GF to the Fund in FY 2024. (Sec. 2)
- 4. Exempts the appropriation from lapsing. (Sec. 2)

## **Amendments**

Committee on Judiciary

1. Makes a technical correction.

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	⊠ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: JUD DPA 8-0-0-0-0

HB 2302: misdemeanor expungement; requirements; procedure Sponsor: Representative Carter, LD 15
Caucus & COW

# **Overview**

Allows a person who was convicted of a misdemeanor offense to submit a petition for expungement (Petition) with the convicting court provided that the individual satisfies all outlined requirements. Specifies the procedures a court must follow when reviewing a Petition.

#### **History**

Current law allows an eligible person who has been convicted of a criminal offense to apply to the court to have the judgment of guilt set aside. When reviewing the application to set aside judgement (Application), the court is mandated to review a multitude of factors, record all reasoning regarding the Application in writing and allow any victims to be present at the hearing if desired. A conviction that has been set aside may not be redacted or removed from the individual's record but must contain an annotation indicating that it has been set aside.

Statute requires a court to issue a certificate of second chance (Certificate) upon approval of the Application if the individual has not previously received a Certificate and any of the following are true:

- 1) The conviction is for a misdemeanor, class 4, 5 or 6 felony and a minimum of two years has passed since the fulfillment of probation or sentencing conditions; or
- 2) The conviction is for a class 2 or 3 felony and a minimum of five years has passed since the fulfillment of all probation or sentencing conditions.

The Certificate releases an individual from any barriers resulting from the set aside conviction while obtaining an occupational license under A.R.S. Title 32. Additionally, a Certificate restores the individual's right to possess a firearm and provides the individual's employer and other entities with protections pursuant to A.R.S. § 12-588.03 (A.R.S. § 13-905).

- 1. Allows individuals convicted of a misdemeanor to file a Petition with the convicting court provided that:
  - a. A minimum of three years has passed since the petitioner fulfilled all probation or sentencing conditions; and
  - b. The conviction is not for:
    - i. Sexual offenses under A.R.S. Title 13, Chapter 14;
    - ii. Sexual exploitation of children offenses under A.R.S. Title 13, Chapter 35.1; or
    - iii. Driving under the influence offenses under A.R.S. Title 28, Chapter 4. (Sec. 1)
- 2. Requires the convicting court to request that the appropriate probation department evaluate the Petition and submit an evaluation that includes:
  - a. A written recommendation concerning the Petition;
  - b. Whether the probationer has fulfilled the conditions of their sentence or probation;
  - c. Any postconviction victim statements;
  - d. Additional arrests or convictions the petitioner may have;
  - e. Any written recommendations from third parties in support of expungement which have been submitted to the probation department. (Sec. 1)

☐ Prop 10	95 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note

- 3. Requires a court to deny a Petition if any of the following apply:
  - a. The petitioner has previously obtained expungement in any jurisdiction for an offense which would classify as a felony in the state of Arizona;
  - b. The petitioner has unresolved or pending matters in any jurisdiction;
  - c. The petitioner has failed to pay the full amount of restitution or fines ordered pursuant to A.R.S. Title 13, Chapter 8. (Sec. 1)
- 4. Instructs all records of an individual's conviction to be sealed and prohibits any law enforcement agency or court from releasing copies of the records unless otherwise directed by court order, upon judicial approval of the Petition. (Sec. 1)
- 5. States that any individual who fails to comply with the prohibition of releasing expunged records be liable to the petitioner for damages resulting for the failure to comply. (Sec. 1)
- 6. Specifies that an individual with an expunged conviction may respond to any inquiries as if the conviction did not exist. (Sec. 1)

#### **Amendments**

Committee on Judiciary

- 1. Makes the following persons ineligible to petition the court for misdemeanor record expungement:
  - a) Persons convicted of a domestic violence offense; and
  - b) Persons convicted of a felony offense at the same time as the misdemeanor conviction.
- 2. Removes language involving the probation department in the misdemeanor expungement petition process and outlines requirements that must be included in the petition for misdemeanor expungement.
- 3. Clarifies that, if the victim has requested postconviction notice, the prosecuting attorney must provide the victim with notice of the defendant's petition for expungement and inform the victim of the victim's right to be heard on the petition.
- 4. Removes the provision making a person who fails to comply with a court order for expungement civilly liable for damages to the defendant arising from the failure.



Fifty-sixth Legislature First Regular Session

House: JUD DP 8-0-0-0-0 | APPROP DPA 13-0-2-0-0-0

HB 2333: appropriation; coordinated reentry planning Sponsor: Representative Bliss, LD 1 Caucus & COW

## Overview

Appropriates \$17,000,000 from the state General Fund (GF) in FY 2024 to the Arizona Department of Administration (ADOA) for a coordinated reentry services program (Program).

### **History**

Current law allows each county to establish a Program for the purpose of screening and assessing persons who are booked into a county jail and connecting them with behavioral health and substance disorder treatments. Counties that establish a Program must also establish a planning committee comprised of specific persons to develop the Program's policies and procedures.

Subject to available funding, a Program is required to:

- Allow entities to access and use a cross-system recidivism tracking data base (Data Base)
  which contains data from prearrest diversion programs, reentry screenings and reentry
  planning before, during and postrelease;
- 2) Establish an information exchange mechanism that includes reentry planning efforts between entities, counties, cities, towns and other state political subdivisions;
- 3) Enable collaborative efforts that include treatment, peer support, housing, transportation and employment services by developing or extending a coalition;
- 4) Establish agreements with coalition partners in which treatment providers use the Data Base to record postrelease treatment engagement; and
- 5) Utilize the Data Base to record baseline and ongoing statistics for identified needs, referrals and future Program participants (A.R.S. § 11-392).

### **Provisions**

- 1. Appropriates \$17,000,000 from the GF in FY 2024 to ADOA to be distributed to counties for a Program as follows:
  - a. \$2,300,000 to each of Mohave, Pinal and Yavapai counties to continue to implement the Program in each county:
  - b. \$7,100,000 to distribute as grants to counties other than Mohave, Pinal and Yavapai counties to implement a Program; and
  - c. \$3,000,000 to the Arizona Criminal Justice Commission (ACJC) to develop a Data Base. (Sec. 1)
- 2. Exempts the appropriation from lapsing and specifies the Legislature's intent that the appropriation be considered ongoing in future years. (Sec. 1)

### **Amendments**

Committee on Appropriations

1.	Reduces from \$17, in FY 2024.	,000,000	to \$10,000,000	the	appropriation	amount	from	the GI	= to	ADOA
	☐ Prop 105 (45 vote	es)	Prop 108 (40 vot	es)	□ Emergeno	y (40 vote	es)	□ Fisca	al No	te

- 2. Distributes \$2,000,000 each to the counties of Mohave, Pinal, Yavapai, Coconino and Navajo to continue implementing the Program.
- 3. Appropriates an additional \$3,000,000 from the GF in FY 2024 to the ACJC to develop a Data Base.



Fifty-sixth Legislature First Regular Session

House: JUD DP 5-3-0-0-0

HB 2757: court of appeals; retention election Sponsor: Representative Toma, LD 27 Caucus & COW

# **Overview**

Replaces the current county-based retention election process for judges on the Arizona Court of Appeals with a statewide retention election process.

## **History**

The Arizona Court of Appeals is the state's intermediate appellate court of record, established by Laws 1964, Chapter 102, § 1 as the first level of appeal from the superior court. It is comprised of two divisions, designated as Division 1, which is based in Phoenix, and Division 2, which is based in Tucson.

Division 1 has 19 judges and consists of Maricopa, Yuma, La Paz, Mohave, Coconino, Yavapai, Navajo and Apache counties. Division 2 has 9 judges and consists of Pima, Pinal, Cochise, Santa Cruz, Greenlee, Graham and Gila counties. Both divisions hear and decide cases in three-judge panels, referred to as departments, and a majority of two out the three judges is sufficient to render a decision (A.R.S. § 12-120).

Court of Appeals judges are appointed by the Governor to initial terms of at least two years pursuant to Ariz. Const. art. VI, § 37 before being subject to a retention election. The voters then consider the judges for retention every six years (A.R.S. § 12-120.01).

Current law provides for county-based residency and retention election requirements for the judges on each division. Of the 19 judges on Division 1, 10 must be residents of and elected for retention by the voters of Maricopa county; 5 must be residents of and elected for retention by the voters of the counties in the division besides Maricopa; and 4 must be at-large judges, which may be residents of any county in the division. If an at-large judge is a resident of Maricopa county, the judge must be elected for retention by the voters of Maricopa county. Otherwise, the judge must be elected for retention by the voters of the other counties in the division besides Maricopa.

Statute outlines a similar process for Division 2. Of its 9 judges, 4 must be residents of and elected for retention by the voters of Pima county; 2 must be residents of and elected for retention by the voters of the counties in the division besides Pima; and 3 must be at-large judges, which may be residents of any county in the division. If an at-large judge is a resident of Pima county, the judge must be elected for retention by the voters of Pima county. Otherwise, the at-large judge must be elected for retention by the voters of the other counties in the division besides Pima (A.R.S. § 12-120.02).

The designated post of duty for judges on Division 1 elected other than in Maricopa county, and similarly for the judges on Division 2 elected other than in Pima county, is deemed to be the judge's place of physical residence (A.R.S. § 12-120.10).

1.	Removes the county-base Appeals. (Sec. 1)	d retention election require	ments for judges on both div	isions of the Court o	)f
	☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	

- 2. Requires that each Court of Appeals judge be elected for retention on a statewide basis at the general election next preceding the expiration of the judge's term in office and states that all otherwise eligible registered voters in Arizona are eligible to vote in these races. (Sec. 1)
- 3. Deems the designated post of duty for Court of Appeals judges in Division 1, excluding Maricopa county, and in Division 2, excluding Pima county, to be the judge's place of physical residence. (Sec. 2)
- 4. Makes a technical change. (Sec. 2)



Fifty-sixth Legislature First Regular Session

House: LARA DP 9-0-0-0

HB2145: dude ranches; historical markers Sponsor: Representative Dunn, LD 25 Caucus & COW

# **Overview**

Requires the Arizona Historical Society to use Permanent Arizona Historical Society Revolving Fund monies to issue historical markers to dude ranches in the Arizona Dude Ranch Heritage Trail Program and appropriates \$75,000 from the state General Fund (GF) to the society for this purpose.

## **History**

### Arizona State Parks Board

The Arizona State Parks Board selects, acquires, preserves, establishes and maintains areas of natural features, scenic beauty, historical and scientific interest and zoos and botanical gardens for public education and recreation (A.R.S. § 41-511.03). The Governor appoints the State Historic Preservation Officer to the board to administer the state historic preservation program and help maintain historical places in Arizona (A.R.S. §§ 41-511.02 and 41-511.04).

#### Arizona Historical Society

The Arizona Historical Society maintains books, maps, papers, materials, narratives of historical events, data, historical and scientific reports and facilities to investigate historical, scientific, social, educational and literary subjects related to the history of Arizona and the west (A.R.S. § 41-823). The Permanent Arizona Historical Society Revolving Fund consists of monies received by the society from operating gift shops, book shops, food service facilities as well as admissions to the society's facilities. Monies are used for enhancing the society's programs and operating or improving its facilities (A.R.S. § 41-826).

## Arizona Dude Ranch Historical Trail Program

The Arizona Dude Ranch Historical Trail Program was established in 2022 to serve as a guide to working dude ranches in Arizona (<u>Laws 2022, Chapter 203</u>). The Arizona State Parks Board, which operates this program, will designate a dude ranch for inclusion if it:

- 1) Has been in business for at least 25 years;
- 2) Comprises at least 1,000 contiguous acres consisting of private or leased property adjacent to the ranch's headquarters or public land subject to a riding permit;
- 3) Provides recreational activities including horseback riding, hiking, biking or a working cattle ranch experience;
- 4) Has an organized and supervised horse program with at least as many horses on the property as guest accommodations;
- 5) Uses at least one permanent structure with running water, sewage disposal and a kitchen;
- 6) Provides guests with three meals a day as part of the ranch's primary package; and
- 7) Includes the title "ranch" or "rancho" in its name.

Dude ranch owners must apply to the ASPB to be designated for inclusion in the program. The Arizona State Parks Board and the largest dude ranch or guest ranch association in the state are jointly responsible for developing signage that ranches may use to identify and promote their designation. Applicants are responsible for the costs of designing and producing these plaques (A.R.S. § 41-867).

- 1. Authorizes Permanent Arizona Historical Society Revolving Fund monies to be used to issue historical markers for dude ranches included in the Arizona Dude Ranch Heritage Trail Program. (Sec. 1)
- 2. Allows the Permanent Arizona Historical Society Revolving Fund to receive gifts, grants, donations and contributions. (Sec. 1)
- 3. Appropriates \$75,000 from the state GF to the Arizona Historical Society in FY 2024 to issue historical markers to qualifying dude ranches and exempts this appropriation from lapsing. (Sec. 3)
- 4. Directs the Arizona Historical Society, in cooperation with the Arizona State Parks Board and the largest dude ranch or guest ranch association in the state, to issue historical markers within two years of when a dude ranch in the Arizona Dude Ranch Heritage Trail Program requests it. (Sec. 2)
- 5. Makes technical changes and conforming changes. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	
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Fifty-sixth Legislature First Regular Session

House: LARA DPA 7-2-0-0

HB 2376: agricultural land; foreign ownership; prohibition Sponsor: Representative Biasiucci, LD 30 Caucus & COW

## Overview

Prohibits selling, leasing, or subleasing agricultural state land to a foreign entity.

## **History**

# Selling and Leasing Agricultural State Lands

The State Land Department manages state lands, which includes state trust lands and lands otherwise owned by this State (A.R.S. §§ 37-101 and 37-102). State trust lands can be leased upon application to the State Land Department, subject to certain terms and conditions. For example, an agricultural lease is limited to a 10-year term (A.R.S. § 37-281). State trust lands may be sold when someone applies to the State Land Department or when the State Land Commissioner decides to sell these lands (A.R.S. §§ 37-232 and 37-333). State trust lands are generally sold to the highest and best bidder at public auction, provided that these lands are sold for more than their appraised value (A.R.S. § 37-236 and Constitution of Arizona, Article 10, § 4). However, sales, leases or subleases of state lands cannot be made to corporations that are not qualified to transact business in Arizona (A.R.S. § 37-240).

## Qualifications for Corporations to Transact Business in Arizona

The requirements for a corporation to transact business in Arizona depend on where it was formed. A corporation incorporated in Arizona may transact business upon filing its articles of incorporation and certificate of disclosure with the Arizona Corporation Commission (A.R.S. §§ 10-125, 10-203 and 10-301). Foreign corporations, which are those entities not incorporated in Arizona, cannot transact business in this state without the Arizona Corporation Commission's approval (A.R.S. §§ 10-140 and 10-1501).

#### **Provisions**

- 1. Prohibits sales, leases or subleases of agricultural state land to a foreign entity. (Sec. 3 and 4)
- 2. Defines foreign entity. (Sec. 1)
- 3. Makes technical and conforming changes. (Sec. 1, 2 and 3)

## **Amendments**

Committee on Land, Agriculture & Rural Affairs

- 1. Prohibits the sale of state lands (instead of just agricultural state lands) to a foreign entity.
- 2. Deletes a provision prohibiting leases and subleases of agricultural state land to a foreign entity.
- 3. Redefines foreign entity.

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: LARA DPA 9-0-0-0

HB2441: state tree; residential planning Sponsor: Representative Griffin, LD 19 Caucus & COW

## Overview

Prohibits a municipality or county from adopting or enforcing a land use regulation, general or specific plan provision, ordinance, code, regulation, building or use permit approval condition or any other regulation that prohibits or restricts the use or placement of a palo verde in a residential housing development.

## **History**

#### State Tree

The palo verde (genera cercidium) was designated as the official state tree of Arizona in 1954 (<u>Laws 1954</u>, <u>Chapter 125</u>). Palo verde trees are native to the Sonoran Desert, drought resistant and feature a green trunk with yellow flowers that bloom in the spring.

Two species of palo verde (Blue palo verde and Foothill palo verde) are listed by the Arizona Department of Agriculture as protected native plants (<u>A.R.S. § 3-903</u> and <u>3 A.A.C. 3 Appendix A</u>). Private property owners, government agencies and lessees of state or federal land are required to obtain a permit from the Arizona Department of Agriculture to remove these plants (<u>A.R.S. § 3-906</u>). Individually owned residential properties of 10 acres or less where initial construction has already occurred are exempt from removal restrictions (A.R.S. § 3-904).

## Municipality and County Zoning

A municipality's legislative body may regulate the use of buildings, structures and land for different purposes as well as the use of open spaces and establish special zoning districts, conditions or regulations as deemed necessary for the public health, safety or general welfare (A.R.S. § 9-462.01). This legislative body will also adopt a general plan for the municipality's development that includes certain land use elements such as policies to maintain a broad variety of land uses (A.R.S. § 9-461.05). Municipalities may institute any appropriate action to prevent violations of zoning ordinances (A.R.S. § 9-462.05).

Similarly, counties may form planning and zoning commissions to plan for land uses within the county. Districts may be zoned for various classes of residential, business and industrial uses (<u>A.R.S.§ 11-811</u>). A county board of supervisors may also adopt a comprehensive plan to guide and coordinate development within the county (<u>A.R.S.§ 11-804</u>). County zoning ordinances may be enforced by withholding building permits and establishing civil penalties for zoning regulations (<u>A.R.S.§ 11-815</u>).

#### **Provisions**

1. Prohibits a county or municipality from adopting a land use regulation or general or specific plan provision, enforcing any ordinance, code or regulation or imposing as a condition for approving a building or use permit any regulation that prohibits or restricts the use or placement of the palo verde in a residential housing development. (Sec. 1 and 2)

## **Amendments**

Committee on Land, Agriculture & Rural Affairs

 Exempts the enforcement of a utility's easements, prescriptive rights, rules or regulations for safety and reliability from the prohibition on a county or municipality restricting the planting of the state tree.



Fifty-sixth Legislature First Regular Session

House: MAPS DPA 14-0-0-1

HB 2041: mental health; voluntary evaluations; payment Sponsor: Representative Bliss, LD 1
Caucus & COW

## Overview

Makes changes to the voluntary mental health evaluation process relating to failure to complete the evaluation.

### **History**

Pursuant to <u>A.R.S. Title 36, Chapter 5, Articles 3-4</u>, an involuntary mental health evaluation may be imposed upon an allegedly mentally disordered person by the following process:

- 1) An individual such as a first responder, family member or other community member submits an *application for court-ordered evaluation* to the *county evaluation agency*;
- 2) The county evaluation agency meets with the allegedly mentally disordered person during a *prepetition screening* to determine if further evaluation is needed;
- 3) If it is determined that the person may be eligible for involuntary treatment, then the county evaluation agency must submit a *petition for court-ordered evaluation* to the court;
- 4) If the court approves the county evaluation agency's petition, then local law enforcement will be ordered to bring the person to the hospital for his court-ordered evaluation.

An allegedly mentally disordered person may, during the prepetition screening, request a *voluntary evaluation* if he is not likely to present a danger to self or others prior to the evaluation. If the person requests a voluntary evaluation, the process for involuntary mental health evaluation is halted and he is given five days to be evaluated by the county evaluation agency or another evaluation agency of his choosing. Statute does not specify what is to occur should the person not appear for his voluntary evaluation appointment (A.R.S. § 36-522).

A county evaluation agency, or evaluation agency provided for by the county, is a healthcare agency contracted by the county which provides mental health services (Maricopa County, civil mental health court; Pima County, involuntary treatment).

- 1. Specifies that if a proposed patient elects to undergo voluntary evaluation rather than court-ordered evaluation, he may select any *licensed behavioral health provider*. (Sec. 1)
- 2. Increases the amount of time an evaluation agency has to evaluate a proposed patient from 5 days to 10 days after receiving notice of the patient's need for evaluation. (Sec. 1)
- 3. Requires, on completion of the evaluation, that the evaluation agency deliver the voluntary evaluation to the county evaluation agency. (Sec. 1)
- 4. Instructs the county evaluation agency to confirm receipt of the evaluation. (Sec. 1)
- 5. Directs the county evaluation agency to decide, within 72 hours of receiving the evaluation, if a petition for court-ordered treatment should be filed. (Sec. 1)
- 6. Deletes language which permits voluntary evaluation to be requested only during prepetition screening. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note

- 7. Provides, if a proposed patient does not appear for or complete his voluntary evaluation, that:
  - The county evaluation agency must be notified by the provider who was to conduct the voluntary evaluation; and
  - b. The evaluation agency is to provide prepetition screening of the application for court-ordered evaluation. (Sec. 1)
- 8. Stipulates that when a person is given a voluntary evaluation, that person is responsible for the costs of the evaluation. (Sec. 2)
- 9. Makes clarifying changes. (Sec. 1)
- 10. Makes a conforming change. (Sec. 2)

# **Amendments**

Committee on Military Affairs and Public Safety

- 1. Instructs the evaluation agency chosen by the proposed patient to recommend in its evaluation if the proposed patient should receive court-ordered evaluation.
- 2. Stipulates that if the evaluation agency recommends court-ordered evaluation, then the recommendation must come with an application for court-ordered evaluation.
- 3. Removes the directive for a county evaluation agency to decide, upon receipt of an evaluation agency's evaluation of a proposed patient, if a court-ordered petition for treatment should be filed.
- 4. Provides that a proposed patient need only pay for such portion of the voluntary evaluation as he can afford; if he his indigent, then he will not be charged.
- 5. Defines voluntary evaluation, licensed behavioral health professional and practice of behavioral health.



Fifty-sixth Legislature First Regular Session

House: MAPS DPA/SE 8-6-0-1

HB 2309: sovereign authority; law enforcement S/E: law enforcement; sovereign authority Sponsor: Representative Jones, LD 17 Caucus & COW

Summary of the Strike-Everything Amendment to HB 2309

### Overview

Declares Arizona's sovereign authority over federal laws, treaties, orders, rules, regulations, actions and programs (Acts) that are inconsistent with the authority of state and local law enforcement. Permits members of the Legislature to direct the Attorney General to render an opinion on the constitutionality of a federal Act.

## **History**

The Arizona Constitution stipulates that the United States Constitution is the supreme law of the land to which all government, state and federal, is subject. Additionally, the Arizona Constitution asserts that Arizona may exercise its sovereign authority to restrict the actions of its personnel and the use of its financial resources to purposes that are consistent with the Arizona Constitution. In such cases, Arizona and its political subdivisions are prohibited from using any personnel or financial resources to enforce, administer or cooperate with the designated federal action or program (Arizona Constitution art. II § 3).

- 1. Asserts that it is the public policy of Arizona to protect Arizona's sovereign authority against federal Acts that are inconsistent with the authority of state and local law enforcement agencies. (Sec. 1)
- 2. Permits either house of the Legislature, or any one of its members, to demand that the Attorney General render an opinion on the constitutionality of a federal Act alleged to be inconsistent with the authority of state or local law enforcement agencies. (Sec. 1)
- 3. Asserts that the laws of Arizona are to be interpreted to protect Arizona's sovereign authority against federal actions. (Sec. 1)
- 4. Asserts that any federal Act which the Arizona Supreme Court finds violates Arizona's sovereign authority is null, void and unenforceable. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: MAPS DP 15-0-0-0

HB 2336: tuition; family; posttraumatic stress; suicide Sponsor: Representative Shah, LD 5
Caucus & COW

# **Overview**

Grants eligibility for tuition wavier scholarships (TWSs) to spouses and children of veterans, peace officers or firefighters who die by suicide caused by a posttraumatic stress injury (PTSI).

## **History**

A <u>TWS</u> covers the full cost of tuition, at a university governed by the Arizona Board or Regents or at a community college district, for eligible persons.

Under current law, the children and spouses of those who were killed in the line of duty, while in the following positions, are eligible for a TWS:

- 1) Peace officer:
- 2) Correctional officer;
- 3) Firefighter;
- 4) Emergency paramedic;
- 5) National guard member; or
- 6) Member of the United States armed forces (A.R.S. § 15-1808).

A TWS recipient who is a child of one of the outlined individuals must not be more than 30 years old, and a TWS recipient who was a spouse must not be remarried. A TWS may not cover more than the number of credits necessary for a baccalaureate degree (A.R.S. § 15-1808).

- 1. Broadens eligibility for a TWS to include an individual who is the child or spouse of a person who:
  - a. Was a:
    - i. veteran;
    - ii. current or former peace officer;
    - iii. firefighter; or
    - iv. member of the United States armed forces;
  - b. Was a resident of Arizona at the time of death;
  - c. Suffered a PTSI: and
  - d. Died by suicide. (sec. 1)
- 2. Specifies that the person who committed suicide is not required to have been employed as a peace officer or firefighter, or serving on active military duty, at the time of death. (Sec. 1)
- 3. Asserts that a spouse or child may qualify for the TWS regardless of the date that the PTSI was suffered or the suicide was committed. (Sec. 2)
- 4. Makes technical and conforming changes. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	⊠ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: MAPS DP 14-0-0-1

HB2339: prisoners; medical records; family access Sponsor: Representative Shah, LD 5 Caucus & COW

## **Overview**

Allows prisoners to authorize the Department of Corrections (DOC) to release their medical records to immediate family or to a designated individual.

## **History**

DOC has a Medical Services Division that oversees the Contract Monitoring Bureau and ensure DOC's healthcare providers comply with all aspects of their contracts and provide inmates healthcare services in accordance with all applicable laws, rules and regulations (DOC, Medical Services).

- 1. Permits a prisoner to authorize DOC to release his medical records to an immediate family member or to a designated individual. (Sec. 1)
- 2. Stipulates that the authorization must be on a form prescribed by DOC that includes a release that complies with federal privacy standards. (Sec. 1)
- 3. Requires DOC to release medical records within 15 calendar days after receiving the prisoner's authorization. (Sec. 1)
- 4. Allows DOC to charge a fee to copy and produce the prisoner's medical records, unless produced electronically. (Sec. 1)
- 5. Defines medical record. (Sec. 1)

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Fifty-sixth Legislature First Regular Session

House: MAPS DPA/SE 12-1-1-1

HB 2418: law enforcement; response times; requirements S/E: police response time; study committee Sponsor: Representative Gress, LD 4 Caucus & COW

Summary of the Strike-Everything Amendment to HB 2418

### Overview

Creates the Police Response Time Study Committee (Study Committee) to study emergency call response times (response times) and related issues.

### **History**

The Arizona Criminal Justice Commission (ACJC) is a 19-member commission that carries out various coordinating, monitoring and reporting functions regarding the administration and management of criminal justice programs in Arizona. ACJC is required to monitor progress and implementation of criminal justice legislation, facilitate research among criminal justice agencies and facilitate efforts to share criminal justice information (A.R.S. Title 41, Chapter 21).

- 1. Establishes the 13-member Study Committee. (Sec. 1)
- 2. Outlines the qualifications and appointment of the Study Committee's members. (Sec. 1)
- 3. Specifies that appointed members serve at the pleasure of the person who made the appointment. (Sec. 1)
- 4. Stipulates that Study Committee members are not eligible to receive compensation. (Sec. 1)
- 5. Directs the Study Committee to:
  - a. Meet as often as necessary:
  - b. Solicit opinions on improving response times and law enforcement staffing shortages in Arizona;
  - c. Compile appropriate methods and data sources municipalities should use to calculate response times and compile an overview of time frames for response times;
  - d. Review response time data from Arizona law enforcement agencies; and
  - e. Submit a report of findings to specified members of the legislative and executive branches. (Sec. 1)
- 6. Repeals the Study Committee on July 1, 2024. (Sec. 1)
- 7. Contains an emergency clause. (Sec. 2)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	⊠ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: MAPS DPA 14-1-0-0-0

HCR 2025: death benefit; assault; first responders
Sponsor: Representative Payne, LD 27
Caucus & COW

## **Overview**

Subject to voter approval, creates a State Death Benefit of \$250,000 to be paid to the family of first responders killed in the line of duty. Additionally, increases criminal penalties for assaulting first responders.

### **History**

The Public Safety Officers' Benefits Program (PSOB) is a federal program that provides benefits to the family of federal, state and local first responders whose death or permanent disability is the direct and proximate result of an injury sustained in the line of duty. PSOB provides a one-time death benefit to eligible family of public safety officers who died in the line of duty. Currently, for Fiscal Year 2023, the PSOB's death benefit is \$422,035.

A person may be charged with aggravated assault pursuant to <u>A.R.S. § 13-1204</u> if the person commits assault with one or more aggravating circumstances, including: 1) committing assault against a victim who the person knows to be a peace officer, firefighter, emergency treatment paramedic, teacher or other specified profession; or 2) gaining control or attempting to gain control of a peace officer's firearm, weapon or other specified implements. The penalty for aggravated assault ranges from a class 6 felony to a class 2 felony, depending on the nature and severity of the offense.

## **Provisions**

#### State Death Benefit

- 1. Requires the State of Arizona to pay \$250,000 to the surviving spouse or children of a first responder killed in the line of duty. (Sec. 3)
- 2. Establishes the State Supplemental Benefit Fund (Fund) to pay the State Death Benefit. (Sec. 3)
- 3. Specifies that monies in the Fund are administered by the State Treasurer and continuously appropriated. (Sec. 3)
- 4. Creates, to provide monies for the Fund, a 2% surcharge on every fine, penalty and forfeiture imposed for any criminal offence. (Sec. 1)
- 5. Defines first responder, for the purpose of the State Death Benefit, as:
  - a) a peace officer:
  - b) a firefighter, a fire investigator, a fire inspector, an emergency medical care technician or a paramedic who is engaged in the execution of any official duties;
  - c) a member of the Arizona National Guard who is on state active duty in Arizona; or
  - d) a correctional officer. (Sec. 3)
- 6. Repeals the State Death Benefit on January 1, 2033. (Sec. 4)
- 7. Repeals the 2% surcharge for the State Death Benefit on January 1, 2033. (Sec. 1)

### Aggravated Assault Against First Responders

8.	Broadens aggravated assault to include committing assault against a first responder who the person
	knows is a first responder, rather than committing the same against a peace officer. (Sec. 2)

□ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note

- 9. Broadens aggravated assault to include knowingly taking a weapon or specified implement from a first responder, rather than engaging in the same against a peace officer. (Sec. 2)
- 10. Increases various penalties for aggravated assault committed against a first responder. (Sec. 2)
- 11. Defines *first responder*, for the purpose of the aggravated assault classification, as: a peace officer; or
  - a firefighter, a fire investigator, a fire inspector, an emergency medical care technician or a paramedic who is engaged in the execution of any official duties. (Sec. 2)

#### Miscellaneous

- 12. Defines killed in the line of duty. (Sec. 3)
- 13. Contains finding, intent, purpose and severability clauses. (Sec. 6, 7)
- 14. Designates this legislation with the short title Back the Blue Act. (Sec. 8)
- 15. Contains technical and conforming changes. (Sec. 1, 2, 5)
- 16. Requires the Secretary of State to submit the proposition to the voters at the next general election.
- 17. Becomes effective if approved by the voters and on proclamation of the Governor.

#### **Provisions**

Committee on Military Affairs and Public Safety

- 1. Changes the 2% surcharge on fines, penalties and forfeitures to a flat fee of \$20.
- 2. Permits the legislature to appropriate any monies in the Fund above \$2,000,000 for peace officer training, equipment and other benefits.
- 3. Broadens the definition of *first responder* to include tribal police officers.



Fifty-sixth Legislature First Regular Session

House: MOE DP 6-4-0-0

HB2078: counties; elections; state audits Sponsor: Representative Diaz, LD 19 Caucus & COW

### Overview

Outlines the steps in which an *eligible person* may make a written request for information in specified circumstances, such as irregularities in polling place results or actions taken by a County Recorder that appear to be illegal.

## **History**

Any elector of the state can contest an election due to misconduct of the election board or its members, or on the part of any officer making or participating in a canvass for a state election. (A.R.S. § 16-672).

Any person may request to examine or be provided with copies, printouts or photographs of any public record during regular office hours. The custodian of such records may require the person requesting the public records to pay in advance for any copying and postage charges (A.R.S. § 39-121.01).

- 1. Allows any *eligible person* to request an explanation and documentation from the County Recorder or other officer in charge of elections in specified circumstances. (Sec. 1)
- 2. States that the County Recorder or other officer in charge of elections must reply to the request within 20 days after the request is submitted. (Sec. 1)
- 3. Stipulates that if the person is not satisfied with the explanation or documentation from the County Recorder or other officer in charge of elections, the person can request additional documentation. (Sec. 1)
- 4. Allows the *eligible person* to submit a request to the Secretary of State regarding the requests if they are not satisfied with the additional documentation. (Sec. 1)
- 5. Adds that upon receipt of an *eligible person's* request, the Secretary of State can request additional explanations or documentation from the County Recorder or other officer in charge of elections. (Sec. 1)
- 6. Mandates that the County Recorder or other officer in charge of elections must respond within 30 days after receiving a request from the Secretary of State. (Sec. 1)
- 7. Authorizes the Secretary of State to conduct an audit of the County Recorder or other officer in charge of elections following an unsatisfactory response. (Sec. 1)
- 8. Instructs the County Recorder or other officer in charge of elections to remedy any findings from the Secretary of State's conducted audit within 30 days after receiving the findings. (Sec. 1)
- 9. Authorizes the Secretary of State to assess a civil penalty of up to \$500 for each unresolved finding against the County Recorder or other officer in charge of elections. (Sec. 1)
- 10. Defines eligible person. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: MOE DPA/SE 6-4-0-0

HB 2099: technical correction; statement of contest S/E: prohibitions; polling places; voting devices Sponsor: Representative Harris, LD 13 Caucus & COW

## Summary of the Strike-Everything Amendment to HB 2099

### Overview

Requires all voting be conducted at election precincts and caps the number of registered voters authorized per precinct at 1,500 registered voters. Prohibits the use of electronic voting devices in Arizona elections.

## History

### **Voting Locations**

A county Board of Supervisors may establish voting centers in addition to or in lieu of precinct-based polling places. Polling places are specifically designated locations within election precincts where voters who reside in that precinct must vote. Voting centers are locations within a county where individuals can vote regardless of the person's designated election precinct (A.R.S. § 16-411)

### **Voting Equipment**

Arizona law allows for votes to be cast, recorded and counted by voting or marking devices and vote tabulating equipment. A *voting device* is an apparatus that the voter uses to record the voter's votes by marking a paper ballot, which votes are subsequently counted by electronic tabulating equipment. *Electronic tabulating equipment* refers to an apparatus necessary to automatically examine and count votes as designated on ballots and tabulate the results (A.R.S. §§ 16-443, 16-444).

### **Provisions**

## **Polling Places**

- 1. Prohibits the Board of Supervisors from establishing a precinct that contains more than 1,500 registered voters. (Sec. 5)
- 2. Clarifies the Board of Supervisors must establish a reasonable number of polling places in each precinct. (Sec. 5)
- 3. Prohibits the Board of Supervisors from authorizing the use of voting centers. (Sec. 5)
- 4. Repeals the sections of statute concerning voting centers. (Sec. 5)
- 5. Specifies the Board of Supervisors is prohibited from changing a polling place unless the voters in that precinct are notified by mail at least two years in advance. (Sec. 5)
- 6. Repeals statute allowing for the consolidation of polling places in specified circumstances. (Sec. 5)
- 7. Repeals statute allowing the principal of a school to deny a request to provide space for use as a polling place. (Sec. 5)
- 8. Requires the Board of Supervisors to use public schools and governmental offices as polling places whenever possible. (Sec. 5)
- 9. Asserts school district governing boards, principles and managers of governmental offices must allow their sites to be used as polling places if requested. (Sec. 5)

☐ Prop 105 (45 votes) ☐ Prop 108 (40 votes) ☐ Emergency (40 votes) ☐ Fiscal Note
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10. Revises the criteria for which a County Recorder or officer in charge of elections may establish an emergency polling place to include only acts of God that render a previously set polling place as unusable. (Sec. 5)

### Prohibition on Electronic Voting Devices

- 11. Allows for the use of machines or devices only if they cannot access the internet and are used solely to comply with accessibility requirements. (Sec. 6)
- 12. Prohibits the Secretary of State from approving the general use of electronic voting machines and electronic tabulating machines unless required to comply with accessibility requirements. (Sec. 6, 7 and 8)
- 13. Requires, except for circumstances involving compliance with accessibility requirements, that all state, county, city and town elections be conducted using paper ballots and ballots be tabulated by hand. (Sec. 8)
- 14. Requires all electronic voting machines and electronic tabulating machines to be:
  - a. The same make and model:
  - b. Uniform in compliance, language and capabilities; and
  - c. Owned by the office of the Secretary of State and used in agreement with counties and other election jurisdictions. (Sec. 6)
- 15. Directs the Secretary of State to revoke the certification or prohibit, for a period of five years, the purchase of any voting system or device in specified circumstances. (Sec. 6)
- 16. Repeals the section of statute concerning the filing of computer election programs with the Secretary of State. (Sec. 9)
- 17. Allows for the use of electronic tabulating systems for the tabulation of absentee ballots only. (Sec. 12)
- 18. Repeals the sections of statute concerning the acquisition, cost and rules of vote tabulating devices. (Sec. 13)
- 19. Repeals the sections of statute concerning the form of ballots and the use of antifraud ballot paper. (Sec. 15)
- 20. Establishes the minimum requirements for ballot paper used in primary and general elections. (Sec. 16)

### Mail-in and Early Voting

- 21. Repeals the provisions of statute concerning mail-in voting. (Sec. 1, 2, 3, 4, 5 and 14)
- 22. Requires, for votes to be counted and valid, early ballots must be received by the County Recorder or officer in charge off elections no later than three days before election day. (Sec. 17)
- 23. Requires all early votes to be counted on election day before 7:00 pm. (Sec. 17)
- 24. States the results of the early vote tally may not be released until after 8:00 pm on election day. (Sec. 17)

### Miscellaneous

25. Makes technical and conforming changes. (Sec. 3, 4, 5, 6, 10, 11, 12, 14, 17 and 18)

### **Amendments**

Committee on Municipal Oversight & Elections

- 1. Decreases, from 1,500 to 1,000, the number of registered voters authorized per precinct.
- 2. Repeals language that allows for the tabulation of absentee ballots by electronic tabulation devices.



Fifty-sixth Legislature First Regular Session

House: MOE DPA/SE 5-3-0-2

HB 2100: elections; mail ballot; technical correction S/E: mandatory hand count; elections Sponsor: Representative Harris, LD 13 Caucus & COW

## Summary of the Strike-Everything Amendment to HB 2100

## Overview

Requires the hand count of all ballots in Arizona elections.

### **History**

County election officers are required to conduct a hand count of a sample of ballots to test the accuracy of the vote tabulation equipment if there is participation from the county political parties. Those counties that conduct the hand count are required by law to report the results to the Secretary of State (A.R.S. § 16-602).

- 1. Asserts a voter may not receive or vote a ballot unless the voter has presented valid state-issued identification. (Sec. 1)
- 2. Stipulates that all voting must occur on election day and all ballots must be cast in person at the voter's designated election precinct polling place unless the voter qualifies for an absentee ballot. (Sec. 1)
- 3. Requires all ballots to be counted by hand and canvassed and the returns made within 24 hours after the closing of the polls. (Sec. 1)
- 4. Prohibits the Board of Supervisors from authorizing the use of electronic or other tabulating equipment. (Sec. 4)
- 5. Specifies ballots must be organized and remain separated by precinct both before and after counting. (Sec. 4)
- 6. Repeals statute concerning the procedure for hand counting ballots. (Sec. 3)
- 7. Removes statute allowing for the duplication of ballots and electronic vote adjudication. (Sec. 4)
- 8. Repeals language concerning the procedure for a court ordered recount of ballots if the votes were cast and tabulated on electronic voting equipment. (Sec. 5)
- 9. Repeals the section of statute that allows for the recount of votes by automatic tabulating system. (Sec. 6)
- 10. Makes technical and conforming changes. (Sec. 2, 3, 4 and 5)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: MOE DPA/SE 5-4-0-1

HB 2101: technical correction; presidential candidates; ballot S/E: elections; requirements; prohibitions; violations Sponsor: Representative Harris, LD 13

Caucus & COW

## Summary of the Strike-Everything Amendment to HB 2101

#### Overview

Outlines the minimum requirements for all primary and general elections. Defines prohibited election related activities and establishes civil penalties for specified offenses.

## **History**

### Early Voting

The County Recorder or officer in charge of elections can begin mailing out early ballots 27 days before the election. An early election board can tabulate early ballots as soon as they are received. In Arizona, mailed early ballots must be received by the County Recorder or officer in charge of elections no later than 5:00 pm 11 days before the election (A.R.S. § 16-542).

A voter may also choose to vote early in person at an on-site early voting location established by the County Recorder. To vote early in person, an individual must present valid identification and must cast the ballot issued at that voting location (A.R.S. §§ 16-246, 16-542)

### Identification Requirements

Prior to receiving a ballot at a polling place, an individual must present some form of acceptable identification. Valid identification includes federal, state and local government issued identification, such as an Arizona driver license or a United States Passport and is deemed valid unless expired. If the address on the form of identification does not reasonably match the address in the precinct register, the identification must be accompanied by at least two different items that contain the name and address of the elector, such as a valid Arizona vehicle registration and a utility bill (A.R.S. § 16-579).

## **Voting Locations**

A county Board of Supervisors may establish voting centers in addition to or in lieu of precinct-based polling places. Polling places are specifically designated locations within election precincts where voters who reside in that precinct must vote. Voting centers are locations within a county where individuals can vote regardless of the person's designated election precinct (A.R.S. § 16-411)

### **Provisions**

## Primary and General Election Requirements

- 1. Asserts a voter may not receive or vote a ballot unless the voter has presented valid state-issued identification. (Sec. 2)
- 2. Stipulates that all voting must occur on election day and all ballots must be cast in person at the voter's designated election precinct polling place unless the voter qualifies for an absentee ballot. (Sec. 2)
- 3. Requires all ballots to be counted by hand and canvassed and the returns made within 24 hours after the closing of the polls. (Sec. 2)
- 4. Specifies the County Recorder is only responsible for providing an adequate number and type of ballots, pens, tables and other equipment as necessary for polling places and directs the county Board of Supervisors to perform or supervise all other election related duties. (Sec. 3)

#### **Prohibitions**

- 5. Prohibits the ranking of candidates in any manner, other than with a single vote for one candidate for each office to be filled. (Sec. 3)
- 6. Prohibits the Board of Supervisors, County Recorder or officer in charge of elections from requiring a voter, board worker or any other person:
  - a. Wear a facial mask at a polling place or other voting or tabulating location; or
  - b. Be vaccinated against or tested for a virus as a condition of entering a polling place or other voting or tabulating location. (Sec. 5)

#### Civil and Criminal Penalties

- Includes, in the classification of an authorized person who fails to return completed registration materials, a class 2 misdemeanor, a person or nongovernmental organization that receives blank voter registration forms from the Secretary of State, County Recorder or other authorized election official. (Sec. 1)
- 8. Establishes a civil penalty of \$50,000 for nongovernmental organizations that fail to timely return completed registration materials that are timely received from a registrant. (Sec. 1)
- 9. Specifies a nongovernmental organization is subject to a civil penalty of \$1,500 for each unlawfully altered voter registration form it returns, regardless of whether the form was unlawfully altered by an employee, contractor or volunteer of that organization. (Sec. 1)
- 10. Increases, from a class 3 felony to a class 2 felony, the penalty for a person who knowingly substitutes or tampers with ballot tabulations or election results by electronic means. (Sec. 6)

#### Miscellaneous

- 11. Allows one representative of a political party that was appointed by the chairman of that political party to be allowed to remain within the seventy-five-foot limit for purposes of making challenges, regardless of whether that political party is represented on the ballot. (Sec. 4)
- 12. Repeals language concerning the seventy-five-foot limit and its application to minors voting in simulated elections. (Sec. 4)
- 13. Makes technical changes. (Sec. 4)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	
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Fifty-sixth Legislature First Regular Session

House: MOE DPA/SE 5-4-0-1

HB 2102: election of judges; technical correction S/E: on-site early voting locations; repeal Sponsor: Representative Harris, LD 13 Caucus & COW

## Summary of the Strike-Everything Amendment to HB 2102

### Overview

Modifies the section of statute concerning requests for early ballots and repeals statute allowing the County Recorder to establish on-site early voting locations.

## **History**

### On-site Early Voting Locations

The County Recorder can establish on-site early voting locations at the office of the County Recorder and other locations in the county as deemed necessary. On-site early voting locations must be open and available on the same day that a County Recorder sends out early ballots. Early ballots must be sent out at least 27 days before the election and no later than 24 days before the election. An elector may vote at an on-site early voting location no later than 5:00 pm the Friday preceding the election (A.R.S. § 16-542).

### Uniformed and Overseas Citizens Absentee Voting Act

The Uniformed and Overseas Citizens Absentee Voting Act (UOCAVA) requires states to allow certain groups of citizens to register and vote an early absentee ballot in elections for federal offices. Individuals covered by UOCAVA include United States citizens who are members of the uniformed services and merchant marine, their family members and United States citizens residing outside of the United States (P.L. 99-410).

- 1. Requires, in addition to name and address, an elector requesting an absentee ballot must provide information that specifies that the voter:
  - a. Expects to be outside Arizona at the time of the election;
  - b. Is physically unable to go to the polls due to being hospitalized or in a nursing home;
  - c. Has a visual impairment; or
  - d. Qualifies for an absentee ballot under UOCAVA. (Sec. 1)
- 2. Repeals the section of statute allowing the County Recorder to establish on-site early voting locations at the County Recorder's office or other locations in the county as deemed necessary. (Sec. 1)
- 3. Repeals language that directs the County Recorder to provide early ballot materials to UOCAVA voters or voter's whose information is protected, upon their request. (Sec. 1)
- 4. Removes language that allows the County Recorder to use information from early ballot requests to update voter registration records in certain circumstances. (Sec. 1)
- 5. Removes language referencing the Active Early Voting List. (Sec. 1)
- 6. Contains a conforming legislation clause. (Sec. 1)
- 7. Makes technical and conforming changes. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: MOE DPA/SE 5-4-0-1

HB 2103: special districts; elections; technical correction S/E: absentee voting; eligibility criteria Sponsor: Representative Harris, LD 13 Committee on Municipal Oversight & Elections

## Summary of the Strike-Everything Amendment to HB 2103

#### Overview

Establishes specified criteria a voter must meet to qualify to vote by absentee ballot.

### **History**

## Uniformed and Overseas Citizens Absentee Voting Act

The Uniformed and Overseas Citizens Absentee Voting Act (UOCAVA) requires states to allow certain groups of citizens to register and vote an early absentee ballot in elections for federal offices. Individuals covered by UOCAVA include United States citizens who are members of the uniformed services and merchant marine, their family members and United States citizens residing outside of the United States (P.L. 99-410).

- 1. Establishes the following criteria for persons to vote by absentee ballot:
  - a. The voter expects to be outside Arizona at the time of the election;
  - b. The voter is physically unable to go to the polls due to being in the hospital or a nursing home;
  - c. The voter is visually impaired; or
  - d. The voter is qualified to receive an absentee ballot under UOCAVA. (Sec. 1)
- 2. Makes technical and conforming changes. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: MOE DPA/SE 5-4-0-1

HB 2104: contest; state elections; technical correction S/E: absentee ballot affidavit; declaration Sponsor: Representative Harris, LD 13 Caucus & COW

## Summary of the Strike-Everything Amendment to HB 2104

### Overview

Requires an absentee ballot to be accompanied by a printed affidavit that contains a declaration that certifies, under penalty of perjury, that the voter meets specified criteria to receive an absentee ballot.

## History

### Early Ballots

The County Recorder or officer in charge of elections can begin mailing out early ballots 27 days before the election. Early ballots received by the County Recorder or officer in charge of elections by 7:00 pm on election day are delivered to the early election boards for processing (A.R.S. §§ 16-542, 16-551).

## Uniformed and Overseas Citizens Absentee Voting Act

The Uniformed and Overseas Citizens Absentee Voting Act (UOCAVA) requires states to allow certain groups of citizens to register and vote an early absentee ballot in elections for federal offices. Individuals covered by UOCAVA include United States citizens who are members of the uniformed services and merchant marine, their family members and United States citizens residing outside of the United States (P.L. 99-410).

- 1. Includes, in the printed affidavit that accompanies an absentee ballot, a declaration that the voter:
  - a. Expects to be absent from Arizona at the time of the election;
  - b. Is physically unable to go to the polls due to being in a nursing home or the hospital;
  - c. Is visually impaired; or
  - d. Is covered under UOCAVA. (Sec. 1)
- 2. Requires an absentee ballot to be delivered to the County Recorder or officer in charge of elections by 7:00 pm three days before the election to be valid and counted. (Sec. 1)
- 3. Contains a conforming legislation clause. (Sec. 1)
- 4. Makes technical and conforming changes. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: MOE DP 6-4-0-0

HB 2231: early absentee voting; limitations; conflicts
Sponsor: Representative Harris, LD 13
Caucus & COW

### Overview

Outlines the circumstances in which a qualified elector may vote an early absentee ballot.

#### History

The Uniformed and Overseas Citizens Absentee Voting Act (UOCAVA) requires states to allow certain groups of citizens to register and vote an early absentee ballot in elections for federal offices. Individuals covered by UOCAVA include United States citizens who are members of the uniformed services and merchant marine, their family members and United States citizens residing outside of the United States (P.L. 99-410).

- 1. Specifies that only a qualified elector who meets one or more of the criteria prescribed in statute may vote by early absentee ballot. (Sec. 1)
- 2. Removes statute allowing a qualified elector to vote early in special district mail ballot elections. (Sec. 1)
- 3. Prohibits a qualified elector from voting by early absentee ballot, unless the person:
  - a. Is confined and physically unable to go to the polls;
  - b. Expects to be absent from their precinct at the time the election will be held; or
  - c. Is blind or visually impaired. (Sec. 1)
- 4. Clarifies the supremacy of federal law in circumstances in which this law conflicts with federal law. (Sec. 1)
- 5. Requires the narrow interpretation of this law in a manner in which federal control is limited to the specific areas of conflict. (Sec. 1)
- 6. Contains a severability clause. (Sec. 1)
- 7. Contains a conforming legislation clause. (Sec. 2)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: MOE DPA/SE 5-4-0-1

HB 2232: elections; identification; revisions; mail-in; tabulation. S/E: elections; mail-in; identification; revisions Sponsor: Representative Harris, LD 13 Caucus & COW

# Summary of the Strike-Everything Amendment to HB 2232

#### Overview

Amends the sections of statute related to the conduct of elections.

### **History**

### Early Voting

The County Recorder or officer in charge of elections can begin mailing out early ballots 27 days before the election. An early election board can tabulate early ballots as soon as they are received. In Arizona, mailed early ballots must be received by the County Recorder or officer in charge of elections no later than 5:00 pm 11 days before the election (A.R.S. § 16-542).

A voter may also choose to vote early in person at an on-site early voting location established by the County Recorder. To vote early in person, an individual must present valid identification and must cast the ballot issued at that voting location (A.R.S. §§ 16-246, 16-542)

### Identification Requirements

Prior to receiving a ballot at a polling place, an individual must present some form of acceptable identification. Valid identification includes federal, state and local government issued identification, such as an Arizona driver license or a United States Passport and is deemed valid unless expired. If the address on the form of identification does not reasonably match the address in the precinct register, the identification must be accompanied by at least two different items that contain the name and address of the elector, such as a valid Arizona vehicle registration and a utility bill (A.R.S. § 16-579).

### **Voting Locations**

A county Board of Supervisors may establish voting centers in addition to or in lieu of precinct-based polling places. Polling places are specifically designated locations within election precincts where voters who reside in that precinct must vote. Voting centers are locations within a county where individuals can vote regardless of the person's designated election precinct (A.R.S. § 16-411)

## **Voting Equipment**

Arizona law allows for votes to be cast, recorded and counted by voting or marking devices and vote tabulating equipment. A *voting device* is an apparatus that the voter uses to record the voter's votes by marking a paper ballot, which votes are subsequently counted by electronic tabulating equipment. *Electronic tabulating equipment* refers to an apparatus necessary to automatically examine and count votes as designated on ballots and tabulate the results (A.R.S. §§ 16-443, 16-444).

### **Hand Count Audits**

county election officers are required to conduct a hand count of a sample of ballots to test the accuracy of the vote tabulation equipment if there is participation from the county political parties. Those counties that conduct the hand count are required by law to report the results to the Secretary of State (A.R.S. § 16-602).

### **Provisions**

### **Polling Places**

- 1. Prohibits the Board of Supervisors from establishing a precinct that contains more than 1,500 registered voters. (Sec. 11)
- 2. Clarifies the Board of Supervisors must establish a reasonable number of polling places in each precinct. (Sec. 11)
- 3. Prohibits the Board of Supervisors from authorizing the use of voting centers. (Sec. 11)
- 4. Repeals the sections of statute concerning voting centers. (Sec. 11)
- 5. Specifies the Board of Supervisors is prohibited from changing a polling place unless the voters in that precinct are notified by mail at least two years in advance. (Sec. 11)
- 6. Repeals statute allowing for the consolidation of polling places in specified circumstances. (Sec. 11)
- 7. Repeals statute allowing the principal of a school to deny a request to provide space for use as a polling place. (Sec. 11)
- 8. Requires the Board of Supervisors to use public schools and governmental offices as polling places whenever possible. (Sec. 11)
- 9. Asserts school district governing boards, principles and managers of governmental offices must allow their sites to be used as polling places if requested. (Sec. 11)
- 10. Revises the criteria for which a County Recorder or officer in charge of elections may establish an emergency polling place to include only acts of God that render a previously set polling place as unusable. (Sec. 11)

### Prohibition on Electronic Voting Devices

- 11. Allows for the use of machines or devices only if they cannot access the internet and are used solely to comply with accessibility requirements. (Sec. 12)
- 12. Prohibits the Secretary of State from approving the general use of electronic voting machines and electronic tabulating machines unless required to comply with accessibility requirements. (Sec. 12, 13 and 14)
- 13. Requires, except for circumstances involving compliance with accessibility requirements, that all state, county, city and town elections be conducted using paper ballots and ballots be tabulated by hand. (Sec. 14)
- 14. Requires all electronic voting machines and electronic tabulating machines to be:
  - a. The same make and model;
  - b. Uniform in compliance, language and capabilities; and
  - c. Owned by the office of the Secretary of State and used in agreement with counties and other election jurisdictions. (Sec. 12)
- 15. Directs the Secretary of State to revoke the certification or prohibit, for a period of five years, the purchase of any voting system or device in specified circumstances. (Sec. 12)
- 16. Repeals the section of statute concerning the filing of computer election programs with the Secretary of State. (Sec. 13)
- 17. Allows for the use of electronic tabulating systems for the tabulation of absentee ballots only. (Sec. 19)
- 18. Repeals the sections of statute concerning the acquisition, cost and rules of vote tabulating devices. (Sec. 20)
- 19. Repeals the sections of statute concerning the form of ballots and the use of antifraud ballot paper. (Sec. 20)

- 20. Repeals definitions and language concerning elections where electronic tabulating devices are used. (Sec. 15)
- 21. Establishes the minimum requirements for ballot paper used in primary and general elections. (Sec. 23)

### **Mandatory Hand Count**

- 22. Prohibits the Board of Supervisors from authorizing the use of electronic or other tabulating equipment. (Sec. 34)
- 23. Specifies ballots must be organized and remain separated by precinct both before and after counting. (Sec. 34)
- 24. Repeals statute concerning the procedure for hand counting ballots. (Sec. 33)
- 25. Removes statute allowing for the duplication of ballots and electronic vote adjudication. (Sec. 34)
- 26. Repeals language concerning the procedure for a court ordered recount of ballots if the votes were cast and tabulated on electronic voting equipment. (Sec. 35)
- 27. Repeals the section of statute that allows for the recount of votes by automatic tabulating system. (Sec. 36)

### Mail-in and Early Voting

- 28. Repeals the provisions of statute concerning mail-in voting. (Sec. 1, 4, 5, 6, 7, 8, 9, 11, 21 and 27)
- 29. Repeals statute allowing candidates, political committees and other organizations to distribute early ballot forms to voters. (Sec. 27)
- 30. Repeals the section of statute concerning the Active Early Voter List. (Sec. 28)
- 31. Requires, for votes to be counted and valid, early ballots must be received by the County Recorder or officer in charge off elections no later than three days before election day. (Sec. 30)
- 32. Requires all early votes to be counted on election day before 7:00 pm. (Sec. 30)
- 33. States the results of the early vote tally may not be released until after 8:00 pm on election day. (Sec. 30)

## Absentee Voting

- 34. Prohibits a voter from voting by an absentee ballot, unless they meet any of the following criteria:
  - a. The voter expects to be outside Arizona at the time of the election;
  - b. The voter is physically unable to go to the polls because the voter is hospitalized or in a nursing home;
  - c. The voter is visually impaired; or
  - d. The voter qualifies for an absentee ballot under UOCAVA. (Sec. 26)
- 35. Requires, when a voter is applying to vote absentee, that the voter specify one of the approved reasons for voting absentee. (Sec. 27)
- 36. Outlies the required text that must be printed on an affidavit that accompanies an absentee ballot. (Sec. 29)

### Primary and General Election Requirements

- 37. Asserts a voter may not receive or vote a ballot unless the voter has presented valid state-issued identification. (Sec. 3)
- 38. Stipulates that all voting must occur on election day and all ballots must be cast in person at the voter's designated election precinct polling place unless the voter qualifies for an absentee ballot. (Sec. 3)
- 39. Requires all ballots to be counted by hand and canvassed and the returns made within 24 hours after the closing of the polls. (Sec. 3)

40. Specifies the County Recorder is only responsible for providing an adequate number and type of ballots, pens, tables and other equipment as necessary for polling places and directs the county Board of Supervisors to perform or supervise all other election related duties. (Sec. 10)

#### **Prohibitions**

- 41. Prohibits the ranking of candidates in any manner, other than with a single vote for one candidate for each office to be filled. (Sec. 10)
- 42. Prohibits the Board of Supervisors, County Recorder or officer in charge of elections from requiring a voter, board worker or any other person:
  - a. Wear a facial mask at a polling place or other voting or tabulating location; or
  - b. Be vaccinated against or tested for a virus as a condition of entering a polling place or other voting or tabulating location. (Sec. 5)

#### Civil and Criminal Penalties

- 43. Includes, in the classification of an authorized person who fails to return completed registration materials, a class 2 misdemeanor, a person or nongovernmental organization that receives blank voter registration forms from the Secretary of State, County Recorder or other authorized election official. (Sec. 2)
- 44. Establishes a civil penalty of \$50,000 for nongovernmental organizations that fail to timely return completed registration materials that are timely received from a registrant. (Sec. 2)
- 45. Specifies a nongovernmental organization is subject to a civil penalty of \$1,500 for each unlawfully altered voter registration form it returns, regardless of whether the form was unlawfully altered by an employee, contractor or volunteer of that organization. (Sec. 2)
- 46. Increases, from a class 3 felony to a class 2 felony, the penalty for a person who knowingly substitutes or tampers with ballot tabulations or election results by electronic means. (Sec. 37)
- 47. Includes a person who knowingly removes a ballot from an on-site voting location as guilty of a class 2 misdemeanor. (Sec. 39)

## Miscellaneous

- 48. Repeals the definition of instructions and procedures manual. (Sec. 15)
- 49. Allows one representative of a political party that was appointed by the chairman of that political party to be allowed to remain within the seventy-five-foot limit for purposes of making challenges, regardless of whether that political party is represented on the ballot. (Sec. 25)
- 50. Repeals language concerning the seventy-five-foot limit and its application to minors voting in simulated elections. (Sec. 25)
- 51. Contains a conforming legislation clause. (Sec. 40)
- 52. Makes technical and conforming changes.

## Amendments

Committee on Municipal Oversight & Elections

- 1. Decreases, from 1,500 to 1,000, the number of registered voters authorized per precinct.
- 2. Repeals language that allows for the tabulation of absentee ballots by electronic tabulation devices.

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: MOE DP 6-4-0-0

HB 2233: election contests; procedures Sponsor: Representative Harris, LD 13 Caucus & COW

### Overview

Modifies the acceptable grounds in which a person may contest an election and outlines specified court procedures for related proceedings and the inspection of ballots before trial.

#### **History**

Provided the person has grounds to do so, an Arizona elector may contest the election of a person declared elected to a state office at a general election or declared nominated to a state office at a primary election. The declared result of initiated or referred measures, a proposal to amend the Constitution of Arizona or any other question or proposal submitted to a vote of the people may also be contested. Grounds for the contest of an election can include misconduct of candidates or elections officials, illegal votes or erroneous vote counts (A.R.S. § 16-672).

Once the statement of contest is filed and the action is at issue, both parties may have the ballots inspected before preparing for the trial. Upon the filing of specified documents with the clerk of the court, the court must appoint three persons to inspect the ballots: one selected by each party and one selected by the court. The inspection of ballots must be conducted in the presence of the legal custodian of the ballots (A.R.S. § 16-677).

A contest may be brought in either the superior court in which the person contesting the election resides or in the Maricopa County Superior Court. Appeals to superior court cases are generally heard in the Court of Appeals. An appeal to the Court of Appeals must be taken to the Supreme Court (A.R.S. §§ 12-120.21, 12-120.22).

#### **Provisions**

#### Contest of Election Proceedings

- 1. Increases the time period in which the court must hear a contest from 10 days after the statement of contest is filed to 20 days. (Sec. 2)
- 2. Requires all appeals of final judgements to be filed with and heard by the Arizona Supreme Court. (Sec. 2)
- 3. Establishes specified time frames in which an appeal, response and reply must be filed. (Sec. 2)
- 4. Specifies the Supreme Court must schedule a hearing within five days of the filing of the reply. (Sec. 2)
- 5. Requires the Supreme Court to render a decision within five days of the date of the hearing. (Sec. 2)

## Inspection of Ballots before Trial

- 6. Defines, for the purposes of inspecting ballots, an organization or entity as a person. (Sec. 3)
- 7. Authorizes an organization or entity to provide for a rotating series of individuals to inspect ballots on behalf of the organization or entity. (Sec. 3)
- 8. Asserts that the parties have the right to physically examine specified materials and records. (Sec. 3)
- 9. Instructs the court to allow the parties ample time to examine the materials. (Sec. 3)

- 10. Establishes each party's right to full discovery on any matter that could pertain to the election in any way and requires a court to liberally construe this provision. (Sec. 3)
- 11. Allows each party to depose up to 10 people. (Sec. 3)

## Miscellaneous

- 12. Includes, in the grounds upon which an Arizona elector may contest an election, votes in which the chain of custody is broken and early votes that have inconsistent signatures or personal information. (Sec. 1)
- 13. Makes technical changes. (Sec. 1, 2, 3)



Fifty-sixth Legislature First Regular Session

House: MOE DP 6-4-0-0

HB 2307: elections; hand counting; machines; prohibition Sponsor: Representative McGarr, LD 17 Caucus & COW

### Overview

Requires all votes be tabulated by hand in city, town and county elections.

### History

### Help America Vote Act of 2002

<u>U.S. Const., Art. I § 4</u> delegates the power to establish *the times, places and manner of elections* to the states, while reserving the power to make or alter those regulations for Congress. In 2002, Congress passed the Help America Vote Act (HAVA) which established minimum requirements for voting systems used in elections for federal offices and authorized the Attorney General to bring civil action against any state or jurisdiction for specified instances of noncompliance (P.L. 107-252).

## **Voting Equipment**

Laws 2003, Chapter 260 adjusted Arizona's voting laws to comply with HAVA. As part of this law, Boards of Supervisors were required to provide at least one voting device that complies with HAVA and is certified by the Secretary of State at each polling place by January 1, 2006. Arizona law still requires the allocation of at least one voting device at each polling place. The officer in charge of elections may allocate additional voting devices at their discretion. The machines or devices used at any election for federal, state or county offices are required to comply with HAVA and be tested and approved by a laboratory that is accredited under HAVA (A.R.S. § 16-447).

### Municipal Elections

The conduct of elections for a city or town must conform as nearly as possible to the provisions of law relating to the general election of county officers. Duties delegated to the Secretary of State in other elections are delegated to the mayor or similar governing officer, board or commission in city or town elections. Similarly, duties prescribed for the Clerk of the Board of Supervisors are delegated to the city or town clerk (A.R.S. §§ 9-891, 16-403).

- 1. Requires all votes to be tabulated by hand for any city, town or county election. (Sec. 1)
- 2. Prohibits the use of tabulating machines to count votes in any city, town or county election. (Sec. 1)
- 3. Contains a conforming legislation clause. (Sec. 2)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: MOE DP 6-4-0-0

HB 2319: elections; rule of construction Sponsor: Representative Kolodin, LD 3 Caucus & COW

## **Overview**

Establishes rule of construction for the provisions of law relating to the conduct of elections.

#### **History**

The general rules of construction for Arizona laws require liberal interpretation of the object of the law and to promote justice unless the manifest intent of the Legislature is inconsistent with such construction (<u>A.R.S.</u> § 1-211).

- 1. Requires the aggressive interpretation of the provisions of law concerning the conduct of elections in a manner that provides greater transparency. (Sec. 1)
- 2. Specifies competing interpretations of the provisions of law concerning the conduct of elections must not be given equal weight. (Sec. 1)
- 3. Declares that existing court opinions relating to the provisions of law on the conduct of elections do not have precedential force or effect if the opinions conflict with this law. (Sec. 1)

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Fifty-sixth Legislature First Regular Session

House: MOE DP 6-4-0-0

HB 2322: early ballots; signatures; guidelines; challenges Sponsor: Representative Kolodin, LD 3 Caucus & COW

## **Overview**

Designates the Secretary of State's July 2020 Signature Verification Guide as the minimum requirements for comparison of signatures.

## **History**

## Signature Verification Guide

In July 2020, the Arizona Secretary of State's Office released a Signature Verification Guide to be used as a reference in combination with the County Recorder's specific procedures for early ballot processing. The guide establishes a two-step process for signature verification in which specified characteristics of a signature are evaluated (Signature Verification Guide).

#### Party Representatives and Challenges

The county chairman of a political party represented on the ballot may submit a written appointment addressed to the early election board to designate party representatives and alternates to act as early ballot challengers for the party (A.R.S. § 16-552).

If a voter's name is not present on the precinct register the voter may be allowed to vote a provisional ballot in specified circumstances. When a voter is allowed to vote a provisional ballot, the elector's name must be entered on a separate page at the end of the signature roster and the elector must sign in the space provided. Within a specified period of time, the voter's signature must be compared to the precinct signature roster of the former precinct where the voter was registered. A county political party chairman may appoint party representatives to be present at polling places to challenge the verification of questioned ballots (A.R.S. §§ 16-522, 16-584).

- 1. Establishes the Secretary of State's July 2020 Signature Verification Guide as the minimum requirements for the comparison of signatures. (Sec. 1)
- 2. Specifies signatures that cannot be verified must be rejected, except in specified circumstances. (Sec. 1)
- 3. Clarifies that challengers are allowed to be present and make challenges during the verification of signatures at polling places, voting centers and early election boards. (Sec. 2)
- 4. Contains a Legislative intent clause. (Sec. 3)
- 5. Makes technical and conforming changes. (Sec. 1, 2)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: MOE DPA/SE 8-2-0-0

HB2325: mail ballot elections; technical correction S/E: voting procedures; electors in detention Sponsor: Representative Kolodin, LD 3

Caucus & COW

## Summary of the Strike-Everything Amendment to HB 2325

#### Overview

Outlines the procedures in which a qualified elector in pretrial detention may vote.

#### History

The County Recorder or other officer in charge of elections is charged with appointing a convenient number of special election boards to accommodate qualified electors who are ill or disabled. A special election board consists of two members, one member from each of the two largest political parties in Arizona (A.R.S. § 16-549).

A person is entitled to vote if the person is a citizen of the United States, 18 years of age or older and has resided in the state for the appropriate period preceding an election as prescribed by law. No person convicted of treason or a felony is qualified to vote, unless their civil rights have been restored (Art. VII § 2, Const. of Ariz.).

Individuals held in pretrial detention or serving a sentence for a misdemeanor conviction remain eligible to register and vote, provided there are no other deficiencies in eligibility. County Recorders may coordinate with the county sheriff's office, jail or detention facilities, the county public defender's office, and other appropriate stakeholders to develop and implement reasonable procedures to facilitate the receipt and return of a ballot-by-mail by eligible voters held in jail or detention facilities (Eligible Voters in Jail or Detention Facilities).

## **Provisions**

### **General Provisions**

- Allows qualified electors who are in pretrial detention to make a signed request to the County Recorder or officer in charge of elections to have a ballot delivered to the elector by a special election board. (Sec. 1)
- 2. Outlines the information the elector must include in the written request. (Sec. 1)
- 3. Stipulates the written request must be made at least 180 calendar days before the election for the request to be considered valid. (Sec. 1)
- 4. Requires a jail officer to deliver a copy of the signed written request to the County Recorder or officer in charge of elections within five calendar days after receiving the request. (Sec. 1)
- 5. Specifies jail officials must take the steps necessary to facilitate safe compliance with this law. (Sec. 1)
- 6. Requires the strict compliance with all aspects of this law. (Sec. 1)
- 7. Specifies that all ballots cast in violation of this law are invalid. (Sec. 1)

☐ Prop 105 (45 votes) ☐ Prop 108 (40 votes) ☐ Emergency (40 votes) ☐ Fiscal Note				
	☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note

- 8. States any government employee or contractor who violates this law is guilty of a class 3 felony. (Sec. 1)
- 9. Clarifies that additional relief may be sought if this law is violated and allows any qualified elector of this state to bring a special action to enforce strict compliance with this law. (Sec. 1)
- 10. Allows a federal detention facility to allow voting in strict compliance with this law and stipulates that if the facility declines to do so, the individuals detained in the federal facility are not permitted to vote. (Sec. 1)

#### Preparation for Voting

- 11. Directs the jail to designate a secured, private area for the express purpose of allowing detained electors to vote. (Sec. 1)
- 12. Prohibits any cameras in the secured, private voting area, except that the elections official and political party designees are allowed to bring with them their cellular phones. (Sec. 1)
- 13. Instructs the County Recorder or officer in charge of elections to designate and send a full-time employee to jails to facilitate voting. (Sec. 1)
- 14. Directs the County Recorder or officer in charge of elections to notify the three largest Arizona political parties and their chairmen of the election official's visit to the jail at least 60 calendar days before the visit. (Sec. 1)
- 15. Outlines the information and materials the County Recorder must provide the three largest Arizona political parties. (Sec. 1)
- 16. Allows the county chairperson of each political party and each state party to designate one person to accompany the elections official during the jail visit, provided the County Recorder is notified of the designee's names no later than 10 calendar days before the jail visit. (Sec. 1)
- 17. Asserts party designees are allowed the same access to the qualified electors as the elections official. (Sec. 1)
- 18. Stipulates that the County Recorder or officer in charge of elections is prohibited from rejecting any designee for any reason unless the designee has a felony conviction within the preceding 10 years. (Sec. 1)
- 19. Clarifies a person who is in pretrial election, but is not a qualified elector, must not be allowed to vote. (Sec. 1)
- 20. Allows a maximum of three dates for voting per election cycle to be provided for detainees in each facility. (Sec. 1)
- 21. States all required notifications must be provided by either certified or electronic mail. (Sec. 1)

### **Procedures for Voting**

- 22. Requires the elector to provide valid identification to the elections official and the party designees prior to voting. (Sec. 1)
- 23. Instructs the elections official and political party designees to verify the voter is a duly qualified elector before providing them with a ballot. (Sec. 1)
- 24. Allows the elections official and political party designees to bring into the jail, any papers and equipment needed to satisfy themselves that the person is a qualified elector. (Sec. 1)
- 25. Prohibits federal only ballots from being provided to persons voting from jail. (Sec. 1)
- 26. States the elections official and the political party designees must have sufficient access to execute a specified declaration. (Sec. 1)
- 27. Outlines the specified information that must be included in the ballot affidavit and requires the voter to sign the affidavit. (Sec. 1)

- 28. Prohibits the elections official and political party designees from speaking to the detained person once the individual has been given a ballot and until the ballot is sealed and in the envelope. (Sec. 1)
- 29. Allows jail officials to speak to the detained person while they have a ballot, only to give commands unrelated to voting and only if necessary. (Sec. 1)

### Transportation of Ballots

- 30. Directs the elections official to take the envelopes for all ballots received from detainees directly to the elections office and allows the political party designees to accompany the official. (Sec. 1)
- 31. Requires a ballot to be hand delivered, by a full-time employee of the County Recorder or officer in charge of elections, to the elections office of the appropriate county, if a voter resides outside of the county. (Sec. 1)
- 32. States the political party chairpersons must be provided notice at least 10 days in advance of any ballots being transported to the appropriate county elections office and allows for a designee to accompany the transporter. (Sec. 1)
- 33. Limits the County Recorder or officer in charge of elections to make only one delivery each election cycle to offices outside the county. (Sec. 1)

## Chain of Custody

- 34. Instructs the elections official to make and maintain chain of custody documentation that is sufficient to account for every movement of every ballot by every person handling the ballot. (Sec. 1)
- 35. Requires the chain of custody documentation must begin at the time it leaves the office of the County Recorder or officer in charge of elections until received by the appropriate County Recorder or officer in charge of elections. (Sec. 1)

#### Miscellaneous

- 36. Defines jail. (Sec. 1)
- 37. Contains a non-severability clause. (Sec. 1)



Fifty-sixth Legislature First Regular Session

House: MOE DPA 6-4-0-0

HB 2560: images; voter lists; records; contest.
Sponsor: Representative Toma, LD 27
Caucus & COW

### Overview

Requires the County Recorder to provide, and the Secretary of State to post, specified election information including: a list of persons who voted in the election, all ballot images used to tabulate the election results and the *cast vote record*.

## **History**

#### Arizona Voter Identification Database

As of 2019, the State of Arizona has operated a voter registration and election management system called the Arizona Voter Information Database (AVID). 13 counties directly use AVID to input voter registration and election information while Maricopa and Pima County have individual systems that are linked to AVID through an interface. The statewide database is administered by the Secretary of State and individual voter registration records are entered into the system by the County Recorder (A.R.S. § 16-168, EPM).

### Digital Ballot Images

While not all systems capture digital ballot images, systems that do capture digital ballot images must meet certain minimum requirements to demonstrate the functionality of the system, as specified by the Secretary of State. The demonstration of functionality test includes an examination of whether the system produces digital images of readable quality and whether the digital images are capable of being sorted by criteria (EPM).

### Secured Registrants

An individual may request voter registration records from either the Secretary of State or the County Recorder. Certain individual's voter registration records must be generally shielded from public disclosure. There are three categories of secured registrants: 1) protected government officials; 2) protected victims; and 3) individuals enrolled in the Secretary of State's Address Confidentiality Program (ACP). The Secretary of State provides ACP participants with substitute addresses for public disclosure purposes (A.R.S. §§ 16-153, 41-162).

- 1. Instructs the County Recorder or officer in charge of elections to publish, no later than 10 days before each election, a list of all voters registered to vote in the election and specifies the information that must be included and excluded from the list. (Sec. 1)
- 2. Requires the county recorders to submit the following information to the Secretary of State for posting:
  - a. A list of all persons who voted in the election, with specified limitations and requirements for what information may be posted;
  - b. All ballot images used in the tabulation of the election, including adjudicated and duplicated ballot images; and
  - c. The cast vote record in a sortable format. (Sec. 1)
- 3. Specifies the County Recorder or officer in charge of elections must ensure paper ballots are stored in a manner that allows for convenient retrieval. (Sec. 1)
- 4. Prohibits a person from using a published or posted voter list for commercial purposes. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note

- 5. Requires the total number of protected voters to be included on the published or posted lists excluding the names, addresses or other information for those protected voters. (Sec. 1)
- 6. Authorizes information from precincts or precinct splits to be combined, provided the precinct or precinct split contains fewer than 10 voters. (Sec. 1)
- 7. Asserts that the Secretary of State, County Recorder or other officer in charge of elections is not liable for any *personal identifying information*, handwritten statements or other notations made or provided by the voter that are included in the ballot images. (Sec. 1)
- 8. Allows any person to view, download or print one or more online digital copies of ballot images. (Sec. 1)
- 9. Specifies a person who alters the contents of an image or a *cast vote record* from the database commits a class 1 misdemeanor. (Sec. 1)
- 10. Increases the time period in which an elector may contest an election from five days to seven days after the completion of the canvass. (Sec. 2)
- 11. Defines cast vote record and personal identifying information. (Sec. 1)
- 12. Makes technical changes. (Sec. 2)

## **Amendments**

Committee on Municipal Oversight & Elections

- 1. Specifies that protected voters will be included on the specified lists by total number only.
- 2. Requires posted ballot images to be unaltered.
- 3. Modifies the definition of cast vote record.



Fifty-sixth Legislature First Regular Session

House: NREW DP 10-0-0-0

HB 2022: water resources; annual report Sponsor: Representative Dunn, LD 25 Caucus & COW

## **Overview**

Extends the deadline for the Arizona Department of Water Resources (ADWR) Director to submit an annual report of the department's operations from July 1 to August 15 each year and requires this report to be published on ADWR's website.

#### <u>History</u>

The ADWR Director is required to submit an annual report of the department operations to the Legislature and Governor by July 1. This report must include suggestions on changing current law or enacting new legislation and other information, suggestions and recommendations that provide value to the public. This report must be available to the public (A.R.S. § 45-111).

- 1. Extends the deadline for the ADWR Director to submit an annual report of the department's operations from July 1 to August 15 each year. (Sec. 1)
- 2. Requires ADWR to publish this annual report on its website. (Sec. 1)

☐ Prop 1	05 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: NREW DP 9-0-0-1

HB 2026: appropriation; on-farm efficiency fund Sponsor: Representative Dunn, LD 25 Caucus & COW

## Overview

Appropriates \$30,000,000 from the state General Fund (GF) to the On-Farm Irrigation Efficiency Fund in fiscal year 2024.

## **History**

Last session, the Legislature created the On-Farm Irrigation Efficiency Pilot Program which is administered by the University of Arizona Agricultural Extension and provides grants to farmers to buy and install approved water efficient irrigation systems that modify or replace flood irrigation. An approved system must show (in prior research and projected savings based on the crop type and water usage) at least a 20% savings in water used compared to flood irrigation.

Applicants must meet certain criteria, such as actively farming the proposed acreage and using the efficient system on crops that have been grown in region for the past five years to enable a comparison in water savings. The University of Arizona Agricultural Extension may prioritize applications that cost-effectively reduce water use, minimize energy use, maximize benefits to irrigable land and crops and allow for data collection. A grant cannot exceed \$1,000,000 per applicant or \$1,500 per acre of irrigable land served by the efficient system.

As a condition for receiving a grant, applicants must agree to use the efficient system for three years and report on individual fields that are watered using these systems. Water savings may generally not be used to irrigate additional lands. However, applicants who rely on mainstream Colorado River water or Central Arizona Project water that was not delivered due to shortages in Lake Mead may use the saved water to farm fallowed acres.

This program's fund was allocated \$30,000,000 in American Rescue Plan Act monies. The University of Arizona Agricultural Extension may use up to \$1,000,000 of those funds for demonstration projects, research and education (<u>Laws 2022, Chapter 332</u>).

1.	Appropriates \$30,000,000 from the GF to the On-Farm Irrigation Efficiency Fund in fiscal year 2024.

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: NREW DP 5-4-0-1

HB 2056: dry washes; permit program exemption Sponsor: Representative Diaz, LD 19 Caucus & COW

## **Overview**

Declares that, notwithstanding other laws, a waterless physical feature on private property is not a water of Arizona, is exempt from the state Dredge and Fill Permit Program and is not a water of the United States under the Clean Water Act.

## **History**

## Regulating Water Quality

The term *water of the state* means all waters within Arizona's jurisdiction including all "perennial or intermittent streams, lakes, ponds, impounding reservoirs, marshes, watercourses, waterways, wells, aquifers, springs, irrigation systems, drainage systems and other bodies or accumulations of surface, underground, natural, artificial, public or private water situated wholly or partly in or bordering on the state" (A.R.S. § 49-201). These waters may be regulated under several water quality programs administered by the Arizona Department of Environmental Quality (ADEQ), including the water quality standards and Total Maximum Daily Load program (A.R.S. §§ 49-221 and 49-232).

The Clean Water Act is designed to regulate discharges into "waters of the United States" with the intent of protecting and restoring the quality of these waters. Since this law does not define "waters of the United States" (33 U.S.C. § 1362), the Army Corps of Engineers and Environmental Protection Agency, which jointly implement this law, have defined this term in their respective regulations (33 U.S.C. § 1251 et seq.). Since initial adoption in the late 1980s, these regulations have been subject to repeated revision and litigation.

#### State Dredge and Fill Permit Program

In 2018, the Legislature created a state Dredge and Fill Permit program so that ADEQ could assume primacy for the federal program authorized by Section 404 of the Clean Water Act. However, ADEQ never sought EPA approval of this state program which means that the program's statutes will be repealed on August 1, 2023 (<u>Laws 2018, Chapter 225</u>). Any dredge and fill permits will then need to be obtained through the U.S. Army Corps of Engineers (<u>33 U.S.C. § 1344</u>).

1.	Declares that, notwithstanding other laws, a dry wash, arroyo or other similar feature on private property
	that does not contain water is not a water of Arizona, is exempt from the state Dredge and Fill Permi
	Program and is not a water of the United States under the Clean Water Act. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: NREW DP 10-0-0-0

HB2215: hazardous waste manifest resubmittals; fees Sponsor: Representative Griffin, LD 19 Caucus & COW

## **Overview**

Removes ADEQ's ability to require someone who submitted an improperly completed hazardous waste shipment manifest to properly complete and resubmit it with a \$20 fee.

### **History**

The Arizona Department of Environmental Quality (ADEQ) is responsible for operating a hazardous waste management program that complies with Environmental Protection Agency (EPA) regulations. One component of this program involves regulating the transportation of hazardous waste, which includes requirements for submitting a paper manifest to ADEQ that identifies the quantity, composition, origin, routing and destination of hazardous waste during its transportation from the point of generation to the point of disposal, treatment or storage (A.R.S. §§ 49-921 and 49-922). This manifest information ensures compliance with state and federal hazardous waste law. When an improperly completed manifest is submitted to ADEQ, the agency may return it to the preparer and require that it be properly completed and resubmitted along with a \$20 fee (A.R.S. § 49-922.01).

In 2012, Congress passed the Hazardous Waste Electronic Manifest Establishment Act, which required the EPA to create an electronic system for submitting hazardous waste manifests (<u>Public Law 112-195</u>). The e-Manifest system came online in 2018 and the EPA adopted regulations requiring facilities that receive hazardous waste to electronically submit a manifests to the system (<u>40 Code of Federal Regulations § 265.71</u>). In 2019, ADEQ incorporated these submission requirements into its hazardous waste rules (<u>24 Arizona Administrative Register 3146</u>). Consequently, all owners and operators of facilities that receive hazardous waste in Arizona use the e-Manifest system (R18-8-265).

- 1. Removes ADEQ's ability to require someone who submitted an improperly completed hazardous waste shipment manifest to properly complete and resubmit it with a \$20 fee. (Sec. 3)
- 2. Makes technical and conforming changes. (Sec. 1, 2 and 4)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: NREW DPA/SE 10-0-0-0

HB 2217: water protection; technical correction S/E: appropriation; brackish groundwater studies Sponsor: Representative Griffin, LD 19 Caucus & COW

**Summary of the Strike-Everything Amendment to HB 2217** 

## **Overview**

Appropriates \$50,000 to the Arizona Department of Water Resources (ADWR) in fiscal year (FY) 2024 to review and update studies on brackish groundwater in Arizona.

### **History**

Brackish groundwater is groundwater with concentrations of total dissolved solids (TDS) of 1,000 to 10,000 milligrams per liter (mg/L). As background, TDS measures the combined content of all contaminants contained in drinking water. It is often considered a salinity measure because it captures the presence of dissolved inorganic salts like sodium, calcium, magnesium, chlorides, sulfates and bicarbonates. TDS levels are addressed under the National Secondary Drinking Water Regulations of the Safe Drinking Water Act (42 U.S.C. § 300g-1). These regulations are not mandatory but serve as guidelines to help public water systems manage drinking water for aesthetic, cosmetic and technical considerations (40 Code of Federal Regulations § 143.1). The secondary maximum contaminant level for TDS is 500 mg/L (40 Code of Federal Regulations § 143.3). The cost of treating brackish groundwater to this level is a function of a facility's operating costs and capital costs but is estimated to be about \$1,000 per acre-foot.

There have been several studies of brackish groundwater in Arizona. For example, a 2008 Montgomery & Associates study identified six areas that could provide up to 10,000 acre-feet of brackish groundwater for at least 30 years. However, this study noted several gaps in available information, including how pumping would impact the quality and quantity of the underlying groundwater and the concentrations of other constituents that would impact the cost-effectiveness of treatment.

- Appropriates \$50,000 from the state General Fund in FY 2024 to ADWR to review and update information contained in studies on the availability of brackish groundwater in Arizona. (Sec. 1)
- 2. Exempts this appropriation from lapsing. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: NREW DPA/SE 10-0-0-0

HB 2218: technical correction; power authority; monies S/E: power authority; projects; energy storage Sponsor: Representative Griffin, LD 19 Caucus & COW

Summary of the Strike-Everything Amendment to HB 2218

### Overview

Authorizes the Arizona Power Authority to acquire, build and operate facilities, projects and works to store electric power.

### **History**

The Arizona Power Authority was created in 1944 to receive and manage Arizona's share of power generated from the Hoover Dam. Federal law allocates a portion of Hoover power to Arizona, and the Arizona Power Authority contracts with the Western Area Power Administration to receive this allocation. In turn, the Arizona Power Authority allocates Arizona's Hoover power to eligible entities and enters into long-term power sales contracts with those entities. The Arizona Power Authority also may acquire or build and operate transmission systems, auxiliary plants and facilities to generate, transmit and deliver this electric power to qualified purchasers (A.R.S. § 30-121).

In addition to these responsibilities, the Arizona Power Authority encourages activities, including research and development, that investigate solar, nuclear and geothermal energy. It may bargain for, take and receive power generated from these sources in its name on behalf of the State. The Arizona Power Authority may also lease or purchase property owned by the State or federal government and dispose of this property to those involved in projects to produce electric power from solar, nuclear or geothermal energy (A.R.S. §§ 30-121 and 30-123).

- 1. Directs the Arizona Power Authority to encourage activities feasible for the storage of electric power from solar energy, nuclear energy or geothermal energy. (Sec. 2)
- 2. Authorizes the Arizona Power Authority to acquire or construct and operate facilities to store electric power. (Sec. 2)
- 3. Allows the Arizona Power Authority to acquire by lease, purchase or other means real property owned by the state or federal government and dispose of this property to those engaged in projects feasible for the storage of electric power from solar, nuclear or geothermal energy. (Sec. 3)
- 4. Adds to the definition of *project*, *work* or *works* facilities necessary or convenient to store power and all rights-of-way, lands or interests in land, the use or occupancy of which are necessary or appropriate in maintaining or operating these facilities. (Sec. 1)
- 5. Makes technical changes. (Sec. 1-3)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: NREW DP 7-0-2-1 | APPROP DP 14-0-1-0

HB2374: state lake improvement fund; appropriation Sponsor: Representative Biasiucci, LD 30 Caucus & COW

## Overview

Appropriates \$2,000,000 from the State Parks Revenue Fund and \$3,000,000 from the state General Fund (GF) to the Arizona State Parks Board (ASPB) for operating costs and limits the amount of annually deposited State Lake Improvement Fund (SLIF) monies that can be used for staff support and fund administration.

## **History**

## State Lake Improvement Fund

The SLIF is administered by ASPB and receives revenues from:

- 1) transfers from the Highway User Revenue Fund based on the estimated state gasoline taxes paid for boating (A.R.S. § 28-5926);
- 2) watercraft license taxes collected by the Arizona Game and Fish Department (A.R.S. § 5-323); and
- 3) investment income.

The ASPB uses fund monies for staff support to plan and administer the fund in conjunction with the board's other administrative tasks and recreation plans and for projects on waters where gas-powered boards are allowed. These projects may include building public piers and parking areas and acquiring property to provide access to waters for boating. Projects eligible for SLIF monies can be carried out by the ASPB, the Arizona Game and Fish Commission, a county board of supervisors or a city or town council. However, these projects cannot interfere with any vested water rights or a water project's maintenance and operation. The Arizona Outdoor Recreation Coordinating Commission reviews project applications and makes recommendations for which projects to fund to the ASPB. However, the Joint Committee on Capital Review must review all projects before the ASPB allocates any SLIF monies (A.R.S. § 5-382).

### State Parks Revenue Fund

The State Parks Revenue Fund (SPRF) consist of monies received from the sale of concessions and parkrelated goods. Additionally, it may receive legislative appropriations, unconditional gifts and donations and other revenues generated by the state parks system. Subject to legislative appropriation, these funds are used to operate and maintain the state park system and to acquire and develop real property and improvements as state parks (A.R.S. § 41-511.21).

- 1. Caps at 10 percent the amount of annually deposited SLIF monies that can be used to fund staff support and administer SLIF (Sec. 1).
- 2. Removes ASPB's authorization to spend SLIF monies in conjunction with its other administrative tasks and recreation plans. (Sec. 1)
- 3. Allows SILF monies to be used for water search and rescue operations. (Sec. 1)
- 4. Adds administration to the allowable uses of SPRF monies, subject to legislative appropriation. (Sec. 2)
- 5. Appropriates the following amounts to ASPB in FY 2024 for operating costs:
  - a. \$3,000,000 from the state GF; and

- b. \$2,000,000 from the SPRF. (Sec. 3)
- 6. Makes technical and conforming changes. (Sec. 1 and 2)



Fifty-sixth Legislature First Regular Session

House: NREW DP 6-4-0-0

HB 2440: electric energy; power companies; priorities
Sponsor: Representative Griffin, LD 19
Caucus & COW

### Overview

Requires public service corporations and public power entities to prioritize grid reliability and affordability to retail customers when planning electric generation, transmission and distribution resources and further requires these entities to conduct planning and investments to maintain reliable and affordable electric service.

### **History**

Public service corporations are private, investor-owned utilities that provide a variety of services to customers such as telephone, water, electricity and sewer service (Constitution of Arizona, Article 15, § 2). The Arizona Corporation Commission oversees public service corporations by prescribing rules, regulations and orders that govern these corporation's rates, charges and classifications, which is collectively referred to as its "ratemaking authority." This rate-making authority is plenary and rests solely with the Arizona Corporation Commission. Additionally, the Arizona Corporation Commission has permissive authority to prescribe the forms of contracts and systems of accounts these corporations employ and make and enforce reasonable rules, regulations and orders for the convenience, comfort, safety and preservation of health of the corporation's employees and customers (Constitution of Arizona, Article 15, § 3). This permissive authority to issue orders for the convenience, comfort, safety and health of employees and customers is shared with, and (when conflicts arise) subordinate to, the Legislature's authority to protect public health, safety and welfare.

By contrast, public power entities are municipal corporations, cities, towns or other political subdivisions that generate, transmit distribute and otherwise provide electricity. (However, power districts, electrical districts, irrigation and water conservation districts, the Central Arizona Water Conservation District and Arizona Power Authority are not considered public power entities.) Examples of public power entities include the Cities of Mesa and Safford, the Salt River Project and distribution cooperatives. Public power entities are not considered public service corporations and therefore are not overseen by the Arizona Corporation Commission. Instead, the governing bodies for these entities are responsible for determining rates and policies (A.R.S. § 30-801).

- 1. Directs public power entities and public service corporations to conduct infrastructure planning and investments to maintain reliable and affordable electric service. (Sec. 1 and 2)
- 2. Requires a public power entity's governing board to provide electric service at just and reasonable rates. (Sec. 1)
- 3. Requires a public service corporation to provide electric service at just and reasonable rates as determined by the Arizona Corporation Commission. (Sec. 2)
- 4. Instructs public power entities and public service corporations to prioritize grid reliability and affordability of costs to retail electric customers when making decisions on planning, investment, procurement and operations of electric generation, transmission and distribution resources. (Sec. 1 and 2)

5.	Makes technical and confo	rming changes. (Sec. 2)		
	☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: NREW DPA/SE 6-3-0-1

HB 2445: groundwater permits; technical correction
S/E: subdivisions; leased properties exemption; emergency
Sponsor: Representative Griffin, LD 19
Caucus & COW

Summary of the Strike-Everything Amendment to HB 2445

#### Overview

Repeals the exemption for leasehold offerings of one year or less from the definition of *subdivided lands* and clarifies that these lands include six or more detached single residential homes on lands that have been divided into six or more lots, parcels or fractional interests. Contains an emergency clause.

### History

Subdivided lands function as the building blocks for residential development in Arizona. Subdivided lands are improved or unimproved lands that have been or will be divided into six or more lots, parcels or fractional interests for sale or lease. These lands also include stock cooperatives, lands that have been or will be divided as part of a common promotional plan and residential condominiums. However, subdivided lands do not include leasehold offerings of one year or less (A.R.S. § 32-2101).

In Arizona's six active management areas (AMAs), someone who plans to sell or lease subdivided lands in an AMA must obtain a certificate of assured water supply from the Arizona Department of Water Resources (ADWR) or obtain a commitment for water service from a city, town or private water company with a designation of assured water supply. Otherwise, a municipality or county cannot approve that subdivision plat, and the State Real Estate Commissioner will not authorize the sale or lease of the subdivided lands. An assured water supply means:

- 1) Sufficient groundwater, surface water or effluent of adequate quality that will be legally, physically and continuously available to meet proposed water needs for at least 100 years;
- 2) Any projected groundwater use is consistent with the AMA's management plan and achieving its management goal; and
- 3) Demonstrating the financial capability to build the infrastructure necessary to make water available for the proposed use (A.R.S. § 45-576).

Having a sufficient water supply is generally not a requirement for subdividing lands in areas outside of AMAs. Instead, a developer must disclose if proposed subdivided lands have an adequate water supply. ADWR will make this determination by evaluating the subdivision's proposed water source and projected water needs. The criteria for an adequate water supply are largely similar to those for an assured water supply except that the applicant does not need to show the projected groundwater use is consistent with a management plan or management goal. This evaluation is not required if the developer obtains a commitment for water service from a city, town or private water company designated as having an adequate water supply (A.R.S. § 45-108). However, counties and municipalities may adopt ordinances to require an adequate water supply as a condition for approving proposals to subdivide lands (A.R.S. §§ 9-463.01 and 11-823). Only Cochise and Yuma Counties and the Towns of Patagonia and Clarksdale have adopted these ordinances.

### **Provisions**

1. Repeals the exemption for leasehold offerings of one year or less from the definition of subdivided lands. (Sec. 1)

2.	<ul> <li>Clarifies that a subdivision a residential homes on lands tha interests. (Sec. 1)</li> </ul>	and <i>subdivided lar</i> at have been divide	nds includes six or more dinto six or more lots, p	e detached single arcels or fractional
3.	. Contains an emergency clause	e. (Sec. 2)		
4.	. Makes conforming changes. (Sec	c. 1)		
	☐ Prop 105 (45 votes) ☐ Pr	rop 108 (40 votes)	⊠ Emergency (40 votes)	☐ Fiscal Note
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Fifty-sixth Legislature First Regular Session

House: NREW DP 10-0-0-0 | APPROP DP 15-0-0-0

HB 2448: appropriation; groundwater; Santa Rosa canal Sponsor: Representative Martinez, LD 16 Caucus & COW

# **Overview**

Appropriates \$25,000,000 from the state General Fund (GF) in fiscal year (FY) 2024 to the Arizona Department of Water Resources to distribute to two irrigation districts as part of a settlement agreement.

### **History**

The Ak-Chin Indian Community (Community) is a federally recognized tribe that resides on a reservation in Pinal County. As part of its water rights settlements, the Community is entitled to an annual permanent supply of at least 75,000 acre-feet of higher priority water from the Central Arizona Project (CAP) suitable for agricultural use. Additionally, the United States agreed to design and build the infrastructure necessary to convey this water to the Community, which included the Santa Rosa Canal (P.L. 95-328 and P.L. 98-530).

In March 2020, the Community sued two neighboring irrigation districts, the Central Arizona Irrigation Drainage District and Maricopa-Stanfield Irrigation and Drainage District, in the U.S. District Court for the District of Arizona. It alleged that these districts pumped poorer quality groundwater that was ultimately discharged into the Santa Rosa Canal, where it commingled with the Community's CAP water and rendered it unsuitable for agricultural use (Case 2:20-cv-00489-JJT (D. Ariz.)).

Representatives from the Community and the districts signed a settlement agreement in January 2023. This agreement requires the districts to disconnect wells and related infrastructure from the Santa Rosa Canal in stages over three years as new infrastructure to deliver pumped groundwater is built. During this three-year period, the parties will monitor water quality where the Community diverts the canal's water to ensure certain substances (such as total dissolved solids) do not exceed specific thresholds. The districts may be required to reduce groundwater pumping when exceedances occur. Additionally, the districts will not pump groundwater from certain wells into the canal during winter months. This agreement is contingent on the districts receiving commitments of government funding totaling \$50 million or more by February 20, 2023.

1.	Appropriates \$25,000,000 from the GF in FY 2024 to the Arizona Department of Water Resources to
	distribute equally between the Maricopa-Stanfield Irrigation and Drainage District and the Central
	Arizona Irrigation and Drainage District to build infrastructure to deliver groundwater as part of a
	settlement agreement between these districts and the Ak-Chin Indian Community. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: NREW DPA/SE 10-0-0-0

HCR2012: support; water management policies S/E: support; water management policies Sponsor: Representative Griffin, LD 19 Caucus & COW

**Summary of the Strike-Everything Amendment to HCR 2012** 

#### Overview

States that the Legislature will continue the tradition of supporting water management practices and policies that protect property and water rights and provide for the safety and prosperity of Arizona.

### **History**

Different policies, laws and other institutions have shaped water management in Arizona since it was a territory. The 1864 Howell Code enshrined the doctrine of prior appropriation ("first in time, first in right") for surface waters. Territorial Arizona was also the site of one of the first five projects authorized under the Reclamation Act of 1902, which would become known as the Salt River Project. In 1919, the Legislature adopted the State Water Code which established the State Water Commissioner and a formal administrative process for filing surface water rights. This official's responsibilities were transferred to the State Land Commissioner in 1943, who also assumed authority for designating critical groundwater areas in 1948. The Arizona Water Commission was created in 1971 to oversee dam safety, watershed management and hydrologic data collection. The passage of the 1980 Groundwater Management Act was a significant development in Arizona water management. This act regulated groundwater usage in the most populous and economically productive parts of the state and centralized responsibility for all water laws involving surface water, groundwater, water planning and conservation within the Arizona Department of Water Resources.

The Legislature has also taken an interest in protecting Arizona's interests in its Colorado River water rights. It established the Colorado River Commission in 1927 to represent Arizona during negotiations with the six basin states over apportioning the rivers waters and, in 1948, created the Interstate Stream Commission to help prepare the state's successful case against California before the U.S. Supreme Court. Following the passage of the Colorado River Basin Project Act, which authorized the construction of the Central Arizona Project (CAP), the Legislature created the Central Arizona Water Conservation District to contract with the U.S. Secretary of Interior for delivery of Arizona's CAP water, repaying the federal government for the state's share of CAP construction costs, and operating and maintaining the project. The Arizona Water Banking Authority was created in 1996 to stored Arizona unused Colorado River entitlement to help meet the state's water management objectives and assist California and Nevada through interstate water banking.

These institutions, together with the Water Infrastructure Finance Authority, Arizona Department of Environmental Quality, and Arizona's tribal communities, continue to collectively work together to address regional and local water management challenges.

1.		r water management pract	and Senate resolve to confices and policies that proted erity of Arizona. (Sec. 1)	
	☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: RA DPA/SE 5-2-0-0

HB 2094: technical correction; tax debt; enforcement S/E: mobile food vendors; operation; rules Sponsor: Representative Payne, LD 27 Caucus & COW

# **Summary of the Strike-Everything Amendment to HB2094**

#### Overview

Enables mobile food vendors to operate on private property in a residential area with restrictions and details regulatory and licensing requirements for cities, towns and counties addressing mobile food units.

### **History**

Currently, statute allows a city or town to be able to restrict mobile food vendors from operating in areas at public airports, public transit facilities, within 250 feet of or on properties zoned for residential use. In addition, cities and towns may continue to enforce regulations and zoning codes on mobile food units unless prevented in the law.

In contrast, cities and towns are prohibited from:

- 1) requiring a mobile food vendor to apply for a special permit that is not required for other temporary or mobile vending businesses in the same zoning district;
- 2) requiring mobile food vendors to operate a specific distance from commercial establishments or restaurants, unless where building, fire, street and sidewalk codes are applicable;
- prohibiting a mobile food vendor from using a legal parking space, including metered parking, except to restrict the number of spaces, vehicle size, parking duration and occupying sites with insufficient parking capacity as set by local zoning ordinances or federal law; and
- 4) requiring a mobile food unit to be inspected by the fire department before operation if the unit passed another fire inspection in another city or town within the past 12 months. (A.R.S. 9-485.01)

A mobile food unit's state license is designated into one of three classifications depending on the food dispensed and the way it is handled. These classifications or categories are:

- 1) Type 1 mobile food units, which dispense commercially processed food, individually packaged and frozen that requires time and temperature control for safety;
- 2) Type 2 mobile food units, which dispense food that requires limited handling and preparation; and
- 3) Type 3 mobile food units, which prepare, cook, hold and serve food. (A.A.C. R9-8-110).

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1.	Allows mobile food vendors	s to operate on private prop	erty in a residential area if the	e mobile food vendor:
	☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note

- a. receives written permission from the property owner;
- b. does not serve the general public;
- c. is not the property owner, spouse or trustee of the property owner. (Sec. 1)
- 2. Prevents a city or town from requiring a mobile food vendor:
  - a. to pay more than one fee per year; and
  - b. to be fingerprinted in order to operate. (Sec. 1)
- 3. Instructs the Director of the Department of Health Services (DHS) to include a fourth category of mobile food units that do not require access to commissary or servicing area agreements for licensing. (Sec. 2)
- 4. Enables DHS to designate licensing inspections for mobile food units without a commissary or servicing area agreement to the county health department where the mobile food vendor resides. (Sec. 2)
- 5. Clarifies that the bill does not preclude a city, town, or county from requiring licensure for mobile food vendors. (Sec. 2)



Fifty-sixth Legislature First Regular Session

House: RA DP 7-0-0-0

HB 2172: massage therapy; communication proficiency; repeal Sponsor: Representative Longdon, LD 5
Caucus & COW

# **Overview**

Removes the requirement that the Board of Massage Therapy (the Board) have rules for licensure requiring communication proficiency for health and safety in massage therapy.

### **History**

The Board licenses and regulates massage therapists (A.R.S. § 32-4203). The *practice of massage therapy* is defined as the application of massage therapy to an individual for a fee or other consideration. This does not include medical diagnosis, medical procedures, naturopathic manipulative medicine, osteopathic manipulative medicine and chiropractic adjustive procedures, the prescription of medicine or the use of medical modalities requiring an alternative license to practice (A.R.S. § 32-4201).

The Board requires the submission of select direct source documents for initial applicants, which are documents that cannot be submitted by the applicant and must be received directly from the issuing agency/entity. These documents consist of:

- 1) academic transcripts from each Board-recognized school;
- 2) written verification of a passing score on the Board Certification in Therapeutic Massage and Bodywork (BCTMB) or the Federation of State Massage Therapy Boards (FSMTB) exams:
- 3) completed license verification if from or each jurisdiction the applicant has ever held or currently holds a massage therapy or bodywork license; and
- 4) scores earned on either the Test of English as a Foreign Language (TOEFL) or the Test of English for International Communication (TOEIC) exam if the applicant's native language is not English (Arizona State Board of Massage Therapy Initial Application).

- 1. Strikes the requirement that the Board of Massage Therapy must adopt rules for licensure involving communication proficiency relating to protecting the health and safety in the practice of massage therapy. (Sec. 1)
- 2. Makes technical changes. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: RA DP 6-0-0-1

HB 2230: appraiser; claims; time limitation Sponsor: Representative Harris, LD 13 Caucus & COW

# **Overview**

Limits the time in which an individual may bring action against a real estate appraiser.

#### <u>History</u>

An individual who has a cause of action for damages against a home inspector must commence the action within four years following the event that causes the action (A.R.S. § 12-530).

The Appraisal Standards Boards of the Appraisal Foundation sets the uniform standards of practice for real estate appraisers through the Uniform Standards of Professional Appraisal Practice (USPAP). Current Statute has codified these standards into law (A.R.S. § 32-3610).

According to the Appraisal Institute, the *discovery rule,* a court made rule, allows a near infinite statute of limitations due to the time of filing a suit being unable to commence until the filing party discovers, or should have discovered, alleged defects in the appraisal. The USPAP requires that a work file for each appraisal be maintained for a period of five years after the appraisal was conducted or at least two years following a final disposition of any judicial proceeding involving testimony provided by the appraiser relating to the appraisal (Statutes of Repose – The Appraisal Institute).

- Allows an individual to take action against a real estate appraiser for damages either prior to the statute
  of limitations if it does not exceed four years or within a four-year period following the report date. (Sec.
  1)
- 2. Lists the cause of action for damages against real estate appraisers as malpractice, negligence, an error, a mistake, an omission or breach in connection with a real estate appraisal or appraisal-related service. (Sec. 1)
- 3. Specifies that the statute of limitations does not apply to a claim in which a real estate appraiser intentionally commits fraud or makes a gross misrepresentation when performing an appraisal or appraisal-related service. (Sec. 1)
- 4. Defines *report date* as the date in which the appraisal service was completed or should have been completed and defines *real estate appraiser* as a:
  - a. state-licensed appraiser;
  - b. state-certified residential appraiser;
  - c. state-certified general appraiser;
  - d. state-registered trainee appraiser; and
  - e. any agent, employee, employer or firm of a person listed prior. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

HB 2689: reviser's technical corrections; 2023 Sponsor: Representative Grantham, LD 14 Caucus & COW

### **Overview**

Contains technical corrections relating to multiple, defective and conflicting statutory text.

#### **History**

The staff of Legislative Council prepare this *reviser's technical corrections* bill each session to resolve defective, inconsistent or multiple enactments from the previous session, which may include defective titles, conflicting effective dates or other issues that involve blending the statutes or addressing engrossing errors (Annual Report on Defects in the Arizona Revised Statutes and State Constitution 2022).

- 1. Corrects defective enactments and blends multiple enactments with conflicting effective dates.
- 2. Contains only technical corrections.

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

Senate: GOV DPA 8-0-0-0 | 3rd Read 28-1-1-0

SB 1103: administrative review; approvals; developments
Sponsor: Senator Petersen, LD 14
Caucus & COW

# **Overview**

Outlines actions the legislative body of a county, city or town (Body) may authorize during the administrative review process of select functions by ordinance.

### **History**

The Body must regulate the subdivision of all lands within its corporate limits by ordinance prescribing:

- 1) Procedures for the preparation, submission, review and approval or rejection of all final plats:
- 2) Standards governing the design of subdivision plats; and
- 3) Minimum requirements and standards for the installation of subdivision streets, sewer and water utilities and improvements as a condition of final plat approval (A.R.S. § 9-463.01).

Currently, a municipality must have in place an overall time frame for which it will either grant or deny each type of license it issues. The overall time frame for each type of license must state separately the administrative completeness review time frame and the substantive review time frame. Additionally, it must post this information on its website (A.R.S. § 9-835).

- 1. Specifies that the Body, by ordinance, may:
  - a. Authorize administrative personnel (Personnel) to review and approve site plans, development plans, preliminary plats, land divisions, lot line adjustments, lot ties, plat amendments or final plats without a public hearing. (Sec. 1, 2)
  - b. Authorize Personnel to review and approve design review plans based on objective standards without a public hearing. (Sec. 1, 2)
  - Adopt a self-certification program that allows registered architects and professional engineers to certify and be responsible for compliance with ordinances and construction standards for qualified projects;
  - d. Allow at-risk submittals for certain on-site preliminary grading, drainage work or infrastructure; and
  - e. Allow qualified applicants to be eligible for expedited permit review. (Sec. 1, 2)
- 2. Stipulates applicable license applications are subject to municipal regulations relating to licensure. (Sec. 1, 2)
- 3. Defines Objective. (Sec. 1, 2)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: TI DPA 9-2-0-0

HB2062: Gila River Indian Community plates.

Sponsor: Representative Martinez, LD 16

Caucus & COW

### Overview

Establishes the Gila River Indian Community special plate.

#### **History**

The Arizona Department of Transportation (ADOT) is required to provide every vehicle owner one license plate for every vehicle registered upon application and payment of fees (A.R.S. § 28-2351). Special plates may be issued by ADOT in the place of regular plates, upon application (A.R.S. § 28-2403). An initial and annual renewal fee of \$25 is required for the special plate in addition to the vehicle registration fees. Of the \$25 special plate fee, \$8 is an administrative fee and \$17 is an annual donation to a specified organization (A.R.S. § 28-2402). Special plates are established through statutory authority and require a standard \$32,000 implementation fee from a person.

#### **Provisions**

- 1. Directs ADOT to issue the Gila River Indian Community Special Plate if a person pays the \$32,000 implementation fee by December 31, 2023. (Sec. 1)
- 2. Allows ADOT to combine requests for the special plate and a personalized plate, in a form prescribed by ADOT and subject to fees for both plates. (Sec. 1)
- 3. Requires that, of the \$25 required to obtain and renew the special plate, \$8 is an administration fee and \$17 is an annual donation. (Sec. 1)
- 4. States that ADOT will deposit the special plate administration fees into the state Highway Fund to be transferred to the Gila River Indian Community Transportation Committee. (Sec. 1)
- 5. Requires the Gila River Indian Community Transportation Committee to use the transferred monies only for traffic control devices that conform to state specifications on non-state highways located in the Gila River Indian Reservation. (Sec. 1)
- 6. Makes conforming changes. (Sec. 2-4)

### **Amendments**

Committee on Transportation and Infrastructure

- 1. Outlines color and font requirements for all license plates designed on or after September 24<sup>th</sup>, 2022.
- 2. Requires the person who provides the \$32,000 implementation fee to ADOT to design the Gila River India Community Special Plate.
- 3. Establishes the Ak Chin Indian Community Special plate if a person pays \$32,000 to ADOT by December 31, 2023.
- 4. Requires ADOT to deposit all special plate administration fees into the State Highway Fund and all donations into the Ak Chin Indian Community Department of Public Safety.

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note

- 5. Establishes the Humanitarian Service Organization Special Plate and Fund if a person pays \$32,000 to ADOT by December 31, 2023.
- 6. Requires the director of ADOT to allocate monies in the Humanitarian Service Organization Special Plate Fund to an organization that:
  - a) has a global network of at least 1,200,000 people who make a positive lasting change in communities inside and outside of the U.S.;
  - b) takes action on sustainable projects;
  - c) works to better the world and communities through projects relating to literacy, peace, water and health;
  - d) has been in this state since 1914;
  - e) has at least 114 clubs and a membership of more than 5,000 in this state; and
  - f) has raised money in this state to support service projects in the following areas:
    - i. promoting peace;
    - ii. fighting disease;
    - iii. providing clean water, sanitation and hygiene;
    - iv. saving mothers and children;
    - v. supporting education;
    - vi. growing local economies; and
    - vii. protecting the environment.
- 7. Makes technical and conforming changes.



Fifty-sixth Legislature First Regular Session

House: TI DP 11-0-0-0 | APPROP DP 13-0-0-2

HB 2063: appropriation; State Routes; 238; 347 Sponsor: Representative Martinez, LD 16 Caucus & COW

# **Overview**

Reduces funds appropriated in FY 2023 to the Arizona Department of Transportation (ADOT) from the State Highway Fund for the design to widen lanes along State Route 347 and appropriates \$13,000,000 from the State Highway Fund in FY 2023 to ADOT to distribute to the city of Maricopa to design and construct improvements to State Route 238 or State Route 347, or both.

### **History**

<u>Laws 2022, Chapter 309</u> appropriated \$19,000,000 from the State Highway Fund in FY 2023 to ADOT to design to widen lanes along State Route 347 between Interstate 10 and the city of Maricopa.

<u>Laws 1973, Chapter 146</u> established ADOT to provide for an integrated and balanced state transportation system with a director responsible for the department's administration (<u>A.R.S. § 28-331</u>). ADOT has exclusive control and jurisdiction over state highways, state routes, state-owned airports and all state-owned transportation systems or modes are vested in ADOT.

The State Highway Fund consists of funds collected from certain vehicle fees, monies distributed from the Highway User Revenue Fund, donations, appropriations, interest earnings and fees for commercial vehicle permits collected at ports of entry on the border with Mexico. The purpose of the State Highway Fund is to fund: 1) the construction and maintenance of state highways and roads; 2) the acquisition of right-of-way; 3) ADOT's operational budget; and 4) other highway-related projects (A.R.S. §§ 28-6991, 28-6993).

- 1. Reduces from \$19,000,000 to \$6,000,000 the funds appropriated to ADOT in FY 2023 from the State Highway Fund for the design to widen lanes along State Route 347 between Interstate 10 and the City of Maricopa. (Sec. 1)
- 2. Appropriates, in addition to other monies appropriated in FY 2023, \$13,000,000 from the State Highway Fund to ADOT to distribute to the city of Maricopa to design and construct improvements to State Route 238 or State Route 347, or both. (Sec. 2)
- 3. Exempts the appropriation from review by the Joint Committee on Capital Review and specifies the appropriation will not lapse until its purpose has been accomplished or abandoned or the appropriation stands for a full fiscal year without expenditure or encumbrance. (Sec. 2)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	□ Fiscal Note	
	☐ P10p 100 (40 Votes)	Efficiency (40 votes)	- FISCAI INOILE	



Fifty-sixth Legislature First Regular Session

House: TI DP 11-0-0-0 | APPROP DPA 12-2-0-1

HB2098: appropriation; Clarkdale bridge Sponsor: Representative Bliss, LD 1 Caucus & COW

# **Overview**

Appropriates \$6,321,360 from the state General Fund (GF) in FY 2024 to the Arizona Department of Transportation (ADOT) to distribute to Clarkdale to replace the current bridge over Bitter Creek Wash with one suitable for vehicular traffic and to convert the current bridge for pedestrian and bicycle traffic.

#### **History**

Towns are permitted to direct and control the laying and construction of railroad tracks, bridges, switches and sidetracks in the streets, alleys and other public places of the town (A.R.S. § 9-240).

<u>Laws 1973, Chapter 146</u> established ADOT to provide for an integrated and balanced state transportation system with a director responsible for the department's administration (<u>A.R.S. § 28-331</u>). ADOT has exclusive control and jurisdiction over state highways, state routes, state-owned airports and all state-owned transportation systems or modes are vested in ADOT.

The duties of ADOT are as follows: 1) register motor vehicles and aircraft, license drivers, collect revenues, enforce motor vehicle and aviation statutes and perform related functions; 2) do multimodal state transportation planning, cooperate and coordinate transportation planning with local governments and establish an annually updated priority program of capital improvements for all transportation modes; 3) design and construct transportation facilities in accordance with a priority plan and maintain and operate state highways, state-owned airports and state public transportation systems; 4) investigate new transportation systems and cooperate with and advise local governments concerning the development and operation of public transit systems; and 5) have administrative jurisdiction of transportation safety programs and implement them in accordance with applicable law (A.R.S. § 28-332).

#### **Provisions**

1. Appropriates \$6,321,360 from the GF in FY 2024 to ADOT to distribute to the town of Clarkdale to replace the current bridge over Bitter Creek Wash with a bridge suitable for vehicular traffic and to convert the current bridge for pedestrian and bicycle traffic. (Sec. 1)

#### **Amendments**

Committee of Appropriations

- 1. Directs the town of Clarkdale to revert the state funds to the GF if Clarkdale receives federal money for this project.
- 2. Limits the amount that could be reverted to the GF to be no greater than the total amount appropriated.

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: TI DP 11-0-0-0 | APPROP DP 14-0-0-1

HB2107: appropriation; SR 303; Route 60 Sponsor: Representative Livingston, LD 28 Caucus & COW

# **Overview**

Appropriates \$3,000,000 from the state General Fund (GF) in FY 2024 to the Arizona Department of Transportation (ADOT) for improvements to the interchange at State Route 303 and U.S. Route 60.

### **History**

<u>Laws 1973, Chapter 146</u> established ADOT to provide for an integrated and balanced state transportation system with a director responsible for the department's administration (A.R.S. § 28-331).

ADOT has exclusive control and jurisdiction over state highways, state routes, state-owned airports and all state-owned transportation systems or modes are vested in ADOT. The duties of ADOT are as follows: 1) register motor vehicles and aircraft, license drivers, collect revenues, enforce motor vehicle and aviation statutes and perform related functions; 2) do multimodal state transportation planning, cooperate and coordinate transportation planning with local governments and establish an annually updated priority program of capital improvements for all transportation modes; 3) design and construct transportation facilities in accordance with a priority plan and maintain and operate state highways, state-owned airports and state public transportation systems; 4) investigate new transportation systems and cooperate with and advise local governments concerning the development and operation of public transit systems; and 5) have administrative jurisdiction of transportation safety programs and implement them in accordance with applicable law (A.R.S. § 28-332).

1.	Appropriates \$3,000,000 from the state GF in FY 2024 to ADOT for improvements to the interchange at State Route 303 and U.S. Route 60. (Sec. 1)				

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: TI DP 10-1-0-0

HB2188: beekeepers special plates; deadline extension Sponsor: Representative Longdon, LD 5 Caucus & COW

# **Overview**

Extends the deadline for a person to pay \$32,000 to the Arizona Department of Transportation (ADOT) for ADOT to issue the Arizona Beekeepers Special Plates from December 31, 2022 to December 31, 2024.

### **History**

<u>Laws 2022, Chapter 294</u> establishes the Arizona Beekeepers Special Plate and Fund. A person must pay ADOT an implementation fee of \$32,000 by December 31, 2022, for AODT to issue the Arizona Beekeepers Special Plate.

ADOT is required to provide every vehicle owner one license plate for every vehicle registered upon application and payment of fees (A.R.S. § 28-2351). Statute requires ADOT to issue or renew special plates according to specified requirements (A.R.S. § 28-2403).

An initial and annual renewal fee of \$25 is required for the special plate in addition to the vehicle registration fees. Of the \$25 special plate fee, \$8 is an administrative fee and \$17 is an annual donation (A.R.S. § 28-2402). Special plates require a standard \$32,000 implementation fee from a person.

- 1. Extends the deadline from December 31, 2022 to December 31, 2024 for a person to pay ADOT the \$32,000 implementation fee for ADOT to issue the Arizona Beekeepers Special Plates. (Sec. 1)
- 2. Contains a retroactivity clause for December 31, 2022. (Sec. 2)

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☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: TI DPA/SE 9-2-0-0 | APPROP DPA/SE 12-1-2-0

HB 2285: appropriation; Jackrabbit Trail improvement S/E: Interstate 10; Jackrabbit Trail; appropriation Sponsor: Representative Livingston, LD 28 Caucus & COW

# Summary of the APPROP Strike-Everything Amendment to HB 2285

### Overview

Appropriates \$5,000,000 in FY 2023, \$30,000,000 in FY 2024 and \$35,000,000 in FY 2025 from the state General Fund (GF) to the Arizona Department of Transportation (ADOT) for a freeway interchange on Interstate 10 at Jackrabbit Trail.

#### History

<u>Laws 1973, Chapter 146</u> established ADOT to provide for an integrated and balanced state transportation system with a director responsible for the Department's administration (<u>A.R.S. § 28-331</u>). ADOT has exclusive control and jurisdiction over state highways, state routes, state-owned airports and all state-owned transportation systems or modes are vested in ADOT.

<u>Laws 2022, Chapter 309</u>, the FY 2022 capital outlay bill, appropriated \$20,080,000 from the State Highway Fund to improve Jackrabbit Trail between Thomas and Road McDowell Road in Buckeye.

### **Provisions**

- 1. Appropriates a non-lapsing \$5,000,000 from the GF in FY 2023 to ADOT to design a freeway interchange on Interstate 10 at Jackrabbit Trail. (Sec. 1)
- 2. Appropriates a non-lapsing \$30,000,000 in FY 2024 and \$35,000,000 in FY 2025 to ADOT to construct a freeway interchange on Interstate 10 at Jackrabbit Trail, including traffic control devices:
  - a) For on-ramps and off-ramps; and
  - b) To the north and south of the interchange at Jackrabbit Trail and McDowell Road. (Sec. 1)
- 3. States the intent of the Legislature that ADOT use federal money to supplement the appropriation and revert the amount equal to federal monies received back to the GF. (Sec. 1)

#### **Amendments**

Committee on Appropriations

1. Adopted the strike-everything amendment.

☐ Prop 105 (45 votes) ☐	Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: TI DPA/SE 9-2-0-0 | APPROP DPA/SE 12-1-2-0

HB 2285: appropriation; Jackrabbit Trail improvement S/E: appropriation; Interstate 10; Jackrabbit Trail Sponsor: Representative Livingston, LD 28

Caucus & COW

# Summary of the Transportation & Infrastructure Committee Strike-Everything Amendment to HB 2285

#### Overview

Appropriates \$500,000 from the state General Fund (GF) in FY 2024 to the Arizona Department of Transportation (ADOT) to design a freeway interchange on Interstate 10 at Jackrabbit Trail. Describes the Legislature's intent.

### **History**

<u>Laws 1973, Chapter 146</u> established ADOT to provide for an integrated and balanced state transportation system with a director responsible for the Department's administration (<u>A.R.S. § 28-331</u>). ADOT has exclusive control and jurisdiction over state highways, state routes, state-owned airports and all state-owned transportation systems or modes are vested in ADOT.

The duties of ADOT are as follows: 1) register motor vehicles and aircraft, license drivers, collect revenues, enforce motor vehicle and aviation statutes and perform related functions; 2) do multimodal state transportation planning, cooperate and coordinate transportation planning with local governments and establish an annually updated priority program of capital improvements for all transportation modes; 3) design and construct transportation facilities in accordance with a priority plan and maintain and operate state highways, state-owned airports and state public transportation systems; 4) investigate new transportation systems and cooperate with and advise local governments concerning the development and operation of public transit systems; and 5) have administrative jurisdiction of transportation safety programs and implement them in accordance with applicable law (A.R.S. § 28-332).

- 1. Appropriates \$500,000 from the state GF in FY 2024 to ADOT to design a freeway interchange on Interstate 10 at Jackrabbit Trail. (Sec. 1)
- 2. States that the Legislature intends that ADOT use any available federal monies for the project to supplement the appropriation. (Sec. 1)
- 3. Exempts the appropriation from lapsing. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: TI DPA/SE 6-5-0-1

HB 2411: water supply; elimination; reduction; damages S/E: grazing operations; energy projects; compensation Sponsor: Representative Cook, LD 7

Caucus & COW

# Summary of the Strike-Everything Amendment to HB 2411

### Overview

Prohibits a business from contracting or subcontracting to build a solar or wind energy project that reduces the size of a grazing lessee's operation unless the lessee is compensated for certain costs.

### **History**

Someone can lease allotments of state trust lands or Bureau of Land Management (BLM) lands or obtain permits on national forest lands for grazing livestock. The terms and conditions of these leases vary, particularly when the lease is changed to accommodate additional activities that are planned for the same area. Specifically:

- 1) Although state trust lands may be leased for grazing livestock, the State of Arizona reserves the right to grant other forms of leases or permits for these lands or to remove natural products from these lands (A.A.C. R12-5-705).
- 2) When there is a decrease in public lands available for livestock grazing in an allotment, the BLM may cancel or modify the grazing leases or cancel the grazing preferences in whole or in part. Additionally, when public lands leased for livestock grazing are used for a purpose that precludes this activity, the BLM will give the permittee at least two years' notice before the grazing lease and grazing preferences are cancelled (43 C.F.R. § 4110.4-2).
- 3) The National Forest Service may modify a grazing permit's terms and conditions to conform to changes in development on the land or in response to other regulatory changes (36 C.F.R. § 222.4(a)(7)). The National Forest Service may also cancel permits where lands have been grazed under the permit for another public purpose. However, the permittee must be notified at least two years prior to the cancellation (36 C.F.R. § 222.4(a)(1)). Further, when a grazing permit is canceled in whole or in part, the United States may issue reasonable compensation determined by National Forest Service to the affected permittee based on the adjusted value of their interest in any authorized permanent improvements that were placed or constructed by them on the lands covered by the permit (36 C.F.R. § 222.6(a)).

- 1. Prohibits a business from contracting or subcontracting with a resident or business in Arizona to construct a solar or wind energy project that reduces the size of a grazing lessee's grazing operation unless the business compensates the grazing lessee for:
  - a. loss of profits;
  - b. loss in value of the grazing operation;
  - c. cost to relocate the grazing operation; or
  - d. cost to mitigate losses due to the reduction of the grazing operation. (Sec. 1)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note

- 2. Requires a grazing lessee to provide credible evidence that certifies the amount of their expenses before being compensated. (Sec. 1)
- 3. Defines grazing lessee. (Sec. 1)



Fifty-sixth Legislature First Regular Session

House: TI DP 11-0-0-0 | APPROP DP 15-0-0-0

HB2449: appropriation; Pinal East-West Corridor Sponsor: Representative Martinez, LD 16 Caucus & COW

# **Overview**

Appropriates \$9,700,000 from the state General Fund (GF) in FY 2024 to the Arizona Department of Transportation (ADOT) to distribute to Pinal County for engineering and design of the West Pinal Parkway East-West Corridor.

### **History**

Laws 1973, Chapter 146 established ADOT to provide for an integrated and balanced state transportation system with a director responsible for the department's administration (A.R.S. § 28-331). ADOT has exclusive control and jurisdiction over state highways, state routes, state-owned airports and all state-owned transportation systems or modes are vested in ADOT.

The duties of ADOT are as follows: 1) register motor vehicles and aircraft, license drivers, collect revenues, enforce motor vehicle and aviation statutes and perform related functions; 2) do multimodal state transportation planning, cooperate and coordinate transportation planning with local governments and establish an annually updated priority program of capital improvements for all transportation modes; 3) design and construct transportation facilities in accordance with a priority plan and maintain and operate state highways, state-owned airports and state public transportation systems; 4) investigate new transportation systems and cooperate with and advise local governments concerning the development and operation of public transit systems; and 5) have administrative jurisdiction of transportation safety programs and implement them in accordance with applicable law (A.R.S. § 28-332).

The county Board of Supervisors is permitted to alter, establish or abandon a highway within the county and acquire property for those purposes by purchase, donation, condemnation, dedication or other lawful means (A.R.S. §§ 28-6701).

1.	Appropriates \$9,700,000 from the state GF in FY 2024 to ADOT to distribute to Pinal County	y for
	engineering and design of the West Pinal Parkway East-West Corridor. (Sec.1)	

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note
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Fifty-sixth Legislature First Regular Session

House: WM DPA 6-4-0-0

HB 2014: STOs; scholarships; corporate tax credits Sponsor: Representative Livingston, LD 28 Caucus & COW

# **Overview**

Increases the aggregate corporate tax credit dollar amount and expands tax policy regarding school tuition organizations' scholarships and grants.

### **History**

Corporations and other taxpayers can receive tax credits by making financial contributions to school tuition organizations (STO). STO's are nonprofit organizations that are exempt from federal taxation. However, STO's must allocate at least 90% of received contributions for educational scholarships or tuition grants for non-governmental or secondary schools.

Current legislation restricts the aggregate dollar amount of tax credits allowed in each year to \$6,000,000. (A.R.S. § 43-1184) The Department of Revenue (DOR) is responsible for preapproving tax credits and distributing them on a first-come, first-served basis. Before making a contribution to a STO, the taxpayer must notify the STO of the total amount of contributions the taxpayer intends to make. Prior to accepting the contribution, the STO must request preapproval from the DOR for the intended contribution amount. The DOR must preapprove or deny the request within twenty days. In order for a taxpayer to receive tax credit for their contribution, the taxpayer must make their contribution within twenty days of receiving notice from the STO that the requested amount was preapproved.

Qualified school means a preschool that offers services to students with disabilities and nongovernmental primary school or secondary school. Qualified school does not include a charter school or programs operated by a charter school.

Qualified student means a student who has been either placed in foster care pursuant to title 8, chapter 4 at any time before the student graduates from high school or obtains a general equivalency diploma. Or identified as having a disability under section 504 of the rehabilitation act. Or identified by a school district as a child with a disability as defined in <u>A.R.S. § 15-761</u> or a child with a disability who is eligible to receive services from a school district under <u>A.R.S. § 15-763</u>.

- 1. Increases the aggregate dollar amount of tax credits allowed in each fiscal year. (Sec. 1)
  - a. For fiscal year 2021-2022, \$6,000,000;
  - b. For fiscal year 2022-2023, \$10,000,000;
  - c. For fiscal year 2023-2024, \$15,000,000; and
  - d. For fiscal year 2024-2025 and each fiscal year thereafter, \$20,000,000.
- 2. Defines inclusions within education scholarship and tuition. (Sec. 2, Sec. 5)
- 3. Strikes the requirement that school tuition organizations provide educational scholarships or tuition grants to students enrolled in full time governmental schools or preschool programs that offer disability services. (Sec. 3, Sec. 6)
- 4. Adds that the amount of low-income educational scholarships or tuition grants cannot exceed the amount of state aid for the student beginning in 2023 and each year afterwards. (Sec. 3)
- 5. Strikes the requirement that the educational scholarship or grant amount for displaced students and students with disabilities does not exceed the cost of tuition to attend the qualifying school. (Sec. 4)

- 6. Clarifies that if an educational scholarship or tuition grant exceeds the qualified school's cost of tuition, the excess amount will be returned to the school tuition organization that made the educational scholarship or tuition grant. (Sec. 6)
- 7. Makes technical changes. (Sec. 2, Sec. 3, Sec. 4, Sec. 5)
- 8. Makes conforming changes. (Sec. 2, Sec. 3, Sec. 5)

### Amendments

Ways & Means Committee

- 1. Removes expenses from the included monies from corporate and individuals designated under "educational scholarship or tuition grant". (Sec. 2, Sec. 5)
  - a) Expenses removed from the included monies are as follows:
    - i. Children identified as having a disability who are eligible to receive services;
    - ii. Educational therapies;
    - iii. Educational aide services;
    - iv. Vocational and life skills tuition;
    - v. Educational and psych evaluations, assistive technologies;
    - vi. Tutoring and teaching services;
    - vii. Curricula and supplementary materials;
    - viii. Tuition for nonpublic online learning programs;
    - ix. Fees for standardized tests and other exams related to college or university admission;
    - x. Tuition at an eligible postsecondary institution;
    - xi. Individual classes and extracurricular programs at public schools; and
    - xii. Computer hardware and other technology.
- 2. Strikes special provisions for corporate donations for low-income scholarships:
  - Strikes qualifications for children to receive educational scholarships or tuition grants due to school tuition organizations contributions from corporations;
  - b) Strikes requirement that a child is eligible to receive an educational scholarship or tuition grant if they meet the criteria to have a reduced-price lunch but do not actually claim that benefit;
  - Strikes requirements regarding the amount of money issued in educational scholarships or tuition grants for students;
  - d) Removes the requirement that students use the educational scholarships or tuition grants on a full-time basis; and
  - e) Removes the privilege that allows students who receive an educational scholarship or tuition grant to attend any qualified school of their parents' choice. (Sec. 3)
- 3. The following provisions are changed in the notice required by STO's which is to be included in any printed materials soliciting donations, in applications, or on its website:
  - Adds a school attendance requirement of at least 90 days to governmental preschool programs that offer services to students with disabilities as well as primary and secondary schools for students to receive educational scholarships or tuition grants; and
  - b) Removes grade 1 through 12 specification for students. (Sec. 6)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: WM DP 6-4-0-0 | APPROP DPA 12-0-3-0

HB 2020: ASRS; contribution prepayment; appropriation Sponsor: Representative Livingston, LD 28 Caucus & COW

# **Overview**

Prepays \$534,000,000 from the state General Fund (GF) to the Arizona State Retirement System (ASRS).

#### History

ASRS provides retirement benefits to employees of most public employers in Arizona, including the state and participating political subdivisions, including school districts, municipalities and counties (<u>A.R.S. § 38-711</u>).

<u>Laws 2022, Chapter 324</u> authorized ASRS employers to prepay required 401(a) pension contributions, subject to a written agreement with ASRS. The employer may only contribute an amount up to that employer's net pension liability and prepaid contributions may only be used for future pension obligations. The prepaid contributions accrue earnings at ASRS's total pension fund rate of return (<u>A.R.S.</u> § 38-737).

#### **Provisions**

- 1. Appropriates \$534,000,000 from the GF to ASRS to prepay the state employer's pension contributions. (Sec. 1)
- 2. Exempts the appropriation from lapsing. (Sec. 1)

#### **Amendments**

Committee on Appropriations

- 1. Reduces the appropriated amount from \$534,000,000 to \$45,000,000.
- 2. Specifies that the appropriation is a FY 2023 supplemental appropriation.

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	



Fifty-sixth Legislature First Regular Session

House: WM DP 7-1-2-0 | APPROPS DPA 9-3-3-0

HB 2027: appropriation; unfunded liability; CORP Sponsor: Representative Livingston, LD 28 Caucus & COW

#### Overview

Appropriates \$428,813,700 from the state General Fund (GF) in FY 2023 to the public safety personnel retirement system (PSPRS) to pay the unfunded accrued liability.

#### **History**

Before the establishment of the PSPRS, public safety personnel in the state of Arizona were covered under various local, municipal and state retirement programs. This provided for wide and significant differentials in employee contribution rates, benefit eligibility provisions, types of benefit protection and benefit formulas. The PSPRS pension plan was established July 1, 1968 to provide a uniform, consistent and equitable statewide retirement program for Arizona's public safety personnel. (A.R.S. § 38-841)

PSPRS is a qualified governmental pension plan under section 401(a) of the Internal Revenue Code. (A.R.S. § 38-843.02)

### **Provisions**

- 1. Appropriates \$428,813,700 from the GF in FY 2023 to PSPRS pay the unfunded accrued liability. (Sec. 1)
- 2. Specifies that the board of trustees for PSPRS shall account for the appropriation when calculating the employee contribution rates and the employer contribution rates. (Sec. 1)

### **Amendments**

Committee on Appropriations

- 1. Creates a county repayment schedule beginning FY24 on the counties for amounts paid by the state in FY23 on the counties' behalf to the CORP for unfunded accrued liability.
  - a) Apache County (\$73,200)b) Cochise County (\$281,400)c) Coconino County (\$613,900)d) Gila County (\$198,000)e) Graham County (\$35,000)f) Greenlee County (\$23,000)g) La Paz County (\$40,800)h) Maricopa County (\$17,112,200) i) Mohave County (\$403,800) j) Navajo County (\$181.600) k) Pima County (\$2,145,200) I) Pinal County (\$1,077,200) m) Santa Cruz County (\$102,900)n) Yavapai County (\$1,224,500) o) Yuma County (\$675,400)
- 2. Outlines the procedure for billing each county.
- 3. Repeals the local government repayment from and after June 30, 2034.
- 4. Reduces appropriations from the state general fund in FY24 as follows:

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	
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a) Adult standard probation (\$3,813,600) b) Adult intensive probation (\$2,263,700) c) Community punishment (\$101,400) d) Interstate compact (\$83,500)e) Drug court (\$137,500) f) Juvenile standard probationg) Juvenile intensive probation (\$668,000) (\$1,136,500) h) Juvenile treatment services (\$753,300) i) Juvenile diversion consequences (\$1,156,600)

5. Contains an emergency clause.



Fifty-sixth Legislature First Regular Session

House: WM DP 10-0-0-0

HB 2028: PSPRS; contribution rates
Sponsor: Representative Livingston, LD 28
Caucus & COW

# **Overview**

Sets Public Safety Personnel Retirement System (PSPRS) employee contributions to 7.65% of their compensation effective beginning FY 2024. Additionally, beginning FY 2024, PSPRS will include the excess contribution rates collected into consideration when determining the employer contribution rates.

### **History**

Current statute requires employers to make contributions sufficient to meet both the normal cost for members hired before July 1, 2017, plus the determined amount required to amortize the unfunded accrued liability for all employees of the employer who are members of the system.

For members hired prior to hired prior to July 20, 2011, the employee contribution rate was set at a fixed rate of 7.65%. SB1609 in the 2011 legislative session attempted to increase that set rate to a variable rate that was capped at 11.65% for all employees. However, the Supreme Court ruled that unconstitutional in 2016 for existing members and only applied it to members hired after the general effective date.

The Legislature passed SB1468 in 2016 that dictated that for members hired on or after July 1, 2017, the member and employer contributions are determined in two categories. There are employers and members who are in the public safety risk pool, and those not in the public safety risk pool. For members and employers in the public safety risk pool, each employer must pay 50% of both the normal cost plus the determined amount required to amortize the total unfunded accrued liability within the risk pool. The remaining 50% is divided by the total number in the risk pool. For those not in the public safety risk pool, each employer must pay 50% of both the normal cost plus the determined amount required to amortize the total unfunded accrued liability for each employer attributable only to member's hired on or before July 1, 2017. The remaining 50% will be divided by the total number of the employers' members who were hired on or after July 1, 2017. (A.R.S. § 38-843)

- 1. Designates that for FY 2024 and each year thereafter, the employee's contribution rate will be 7.65% of their compensation for members hired prior to July 1, 2017. (Sec. 1)
- 2. Strikes statute which states that member's contributions above 7.65% must accumulate and cannot be used to reduce the employer's contribution rate until the employer becomes 100% funded. (Sec. 1)
- 3. Adds that from and after June 30, 2023, member's contribution that exceeds 7.65% and that was collected from July 1, 2011 through June 30, 2023 may be used when calculating employer contribution rates. (Sec. 1)
- 4. Makes technical and conforming changes. (Sec. 1)
- 5. Contains a retroactive provision. (Sec. 2)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note



Fifty-sixth Legislature First Regular Session

House: WM DPA/SE 6-3-1-0

HB 2242: unclaimed property; locator registration S/E: unclaimed property; notice; distribution Sponsor: Representative Livingston, LD 28 Caucus & COW

# Summary of the Strike Everything Amendment to HB 2242

#### Overview

Requires circulation of notices at least quarterly and reallocates monies to the General Fund (GF).

#### History

Current statute deposits monies into the following funds:

- 1) Seriously Mentally III Housing Trust Fund \$2,000,000 (<u>A.R.S. § 41-3955.01</u>);
- 2) Housing Trust Fund \$2,500,000 (A.R.S. § 41-3955);
- 3) Department of Revenue Administrative Fund \$24,500,000;
- 4) Permanent State School Fund \$51,025 (Article 9, Section 8, AZ Constitution); and
- 5) Victim Compensation and Assistance Fund \$825,986 (A.R.S. 41-2407)

- 1. Adds a requirement that the Department of Revenue (DOR) must also circulate the notice through social media, radio or any other means that in the judgement of DOR is likely to attract the attention of the apparent owner of the unclaimed property at least quarterly. (Sec. 4)
- 2. Asserts that monies to be deposited in the seriously mental ill housing trust fund, housing trust fund, permanent state school fund and victim compensation and assistance fund are to be deposited in the GF.
- 3. Contains technical and conforming changes. (Sec. 1,2,3,4,5)

☐ Prop 105 (45 votes)	☐ Prop 108 (40 votes)	☐ Emergency (40 votes)	☐ Fiscal Note	



Fifty-sixth Legislature First Regular Session

House: WM DP 9-0-1-0 | APPROPS DPA 12-1-2-0

**HB 2430**: EORP; appropriations; repayment Sponsor: Representative Livingston, LD 28 Caucus & COW

### Overview

Outlines and designates repayment of the state from specified cities, towns and counties to the elected officials' retirement plan for unfunded accrued liability in fiscal year (FY) 2023. The bill also provides a supplemental appropriation of \$609,054,500 to EORP in FY23 and reduces General Fund (GF) appropriations.

### **History**

The Public Safety Personnel Retirement System (PSPRS) was established in order to provide a consistent, uniform and equitable statewide retirement program for the public safety personnel in Arizona. Separate plans for Arizona's elected officials (EORP) and corrections officers (CORP) were established later. All three retirement plans are qualified governmental pension plans under the Internal Revenue Code. Each system is governed by a nine-member board of trustees that is tasked with the fiduciary responsibility to serve its members and protect the financial health of PSPRS, EORP and CORP. (www.psprscom)

### **Provisions**

- 1. Ends the \$5,000,000 annual GF appropriation to EORP in FY23. (Sec. 1)
- 2. Requires that from and after June 30, 2023, through June 30, 2033, the cities, towns and counties to repay the state for the amounts paid in FY23 on the local governments' behalf to the EORP for unfunded accrued liability. (Sec. 2)
- 3. Outlines the procedure for billing each city, town and county. (Sec. 2)
- 4. Specifies that if a city, town or county fails to pay the annual repayment amount in full on or before March 15, the amount owed will be withheld from the distribution of monies to the affected city, town or county, until the entire amount of the annual repayment amount has been satisfied. (Sec. 2)
- 5. Designates that all monies paid or withheld by the state treasurer will be deposited in the state GF. (Sec. 2)
- 6. Allows a city, town or county to pay from any source of city, town or county revenue. (Sec. 2)
- 7. Provides a supplemental appropriation of \$609,054,500 to EORP in FY23. (Sec. 3)
- 8. Reduces the GF appropriation to the Department of Administration for monies that are distributed to counties, for required contributions to EORP by \$3,000,000 in FY24. (Sec. 4)
- 9. Reduces the GF appropriation to the Judiciary-Superior Court judges' compensation line item by \$9,488,300 in FY24. (Sec. 4)
- 10. Reduces the GF appropriation to the Judiciary-Court of Appeals judges' compensation line items by \$3,115,900 in FY24. (Sec. 4)
- 11. Reduces the GF appropriation in FY24 to the following agencies operating lump sum appropriation line item by:

a. Attorney General (\$52,700)b. Corporation Commission (\$232,800)

c. Superintendent of Public Instruction (\$49,800)

d. Office of the Governor (\$55.600)

- e. Judiciary Supreme Court (\$844,600) f. Legislature – Senate (\$421,700)
- g. Legislature House of Representatives (\$843,400)
- h. State Mine Inspector (\$29,300)
- i. Department of State Secretary of State (\$41,000)
- j. State Treasurer (\$41,000) (Sec. 4)
- 12. Contains an emergency clause. (Sec. 5)

#### **Amendments**

Committee on Appropriations

- 1. Designates that fees and costs for the supreme court are to be transmitted to PSPRS for distribution instead of the EORP.
- 2. Designates that fees and costs for the court of appeals are to be transmitted to PSPRS for distribution instead of the EORP.
- 3. Designates that fees and costs for the clerk of the court of appeals are to be transmitted to PSPRS for distribution instead of the EORP.
- 4. Designates that fees and costs for the clerk of the superior court are to be transmitted to PSPRS for distribution instead of the EORP.
- 5. Designates that fees and costs for justices of the peace are to be transmitted to PSPRS for distribution instead of the EORP.
- 6. Stipulates that the monies collected must be distributed by the PSPRS Board as follows:
  - a) Directly to the qualified governmental excess benefit arrangement; and
  - b) The board must transfer any remaining monies collected during a fiscal year to the state general fund.
- 7. Ends contributions to the board beginning FY24, from participating cities, counties and towns.
- 8. Strikes the provision that a city, town or county may pay the annual repayment amount from any source of city, town or county revenue.
- 9. Repeals the local government repayment schedule from and after June 30, 2034.
- 10. Designates that the distribution of notary bonds and fees are to be distributed to PSPRS instead of the EORP.